



REPORT

Treasury Department

TO: Finance Committee

FROM: Donna Condon, Treasurer

DATE: May 16, 2022

REPORT: TR-10/22

FILE NO. Procurement

SUBJECT: Update and Modernization of Procurement Bylaw, Policies, Procedures and Templates.

BACKGROUND:

As required by the Municipal Act (2001), the Township of Uxbridge (Uxbridge), the Uxbridge Library Board (Library) and the Business Improvement Board (BIA) are required to adopt and maintain policies with respect to the procurement of goods and services. Procurement policies are designed to ensure the integrity and transparency of Uxbridge's, the Library and BIA procurement system. In 2004, Uxbridge adopted By-law 2004-209 -a By-law to define the Procurement Policies and Procedures for Uxbridge. Over the years, minor amendments had been made to the Procurement Bylaw.

In 2017, a group (consisting of Department Heads and 2 Council Members) was established to review, update and amend By-law 2004-209. In March of 2018, Council adopted the updated Procurement By-law 2018-034. Under 'By-law Review', Section 20, states "(1) The Procurement By-law shall be reviewed prior to the end of each Council term and any amendment thereto shall be made prior to the inaugural meeting of the next Council."

DISCUSSION:

Over the last few months, Brock, Scugog, Uxbridge and the Region of Durham (Region) have had many discussions surrounding procurement practices. The discussions included;

- Each of the 3 Township's do not have dedicated procurement staff, so it falls to each department to manage tenders, proposals and contracts. As a result, each Township faces similar challenges with decentralized procurement. The Townships have agreed that 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.
- The need for a review and update to the procurement bylaw is needed to modernize and ensure the bylaw incorporates new legislation, trade agreement changes and best practices.
- Procurement is an area that each Township has identified as a need for more training. As a result, the Region, arranged 2 sessions of shared training on municipal procurement for Senior Staff. The training was well received, however, it highlighted some of the short falls and risks of our current procurement practices.
- Procurement is a specialized field that can present a risk to the municipality, if the proper procedures and rules are not followed. Uxbridge must ensure that the process is fair, transparent and adheres to existing laws.
- A consistent and clear procurement process, both within Uxbridge and with our neighbouring municipalities, would be advantageous for attracting bids and will help vendors who bid on multiple contracts to have similar bid document templates, requirements and processes.

With the assistance of the Region, we have obtained a proposal from LXM LAW LLP to modernize the procurement by-laws and develop procurement procedures and templates for Brock, Scugog and Uxbridge (all working together and adopting common deliverables). The lead on this project is a commercial lawyer with over 25 years business and legal experience spent supporting and or leading procurement operations and whom works regularly with public sector organizations. The deliverables under this proposal include:

- (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.

It is expected that this project will take about 3.5 months to complete. And it is anticipated that the procurement by-law will be approved by Committee prior to

proceeding to the procedure's manual, as the procedures manual will reflect the contents of the by-law.

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, procedures and documents.

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

It is estimated that Uxbridge's share of this project will be no more than \$15,000. It is proposed that this project be funded from the Provincial – Municipal Modernization Funds, where funding is intended to help modernize service delivery. This is an important initiative for Uxbridge that will be result in greater consistency and improvements to our procurement practices.

RECOMMENDATION

THAT Report TR-10/22 be received for information;

THAT Committee approve Uxbridge 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);

AND THAT Committee approve funding of up to \$15,000 to fund this project, from the Provincial – Municipal Modernization Funds, where funding is intended to help modernize service delivery.

Respectfully Submitted by:

Donna Condon, CPA, CA
Treasurer