



The Corporation of the Township of Seguin

Finance Committee Agenda

Wednesday, September 28th, 2022 at 4:00 p.m.

Township of Seguin Municipal Office and by Electronic Participation

- 1. Call to Order and Approval of the Agenda. ®**
- 2. Declaration of Possible Pecuniary Interest.**
- 3. Adoption of Minutes.**
 - a) Adoption of Draft Minutes of August 30th, 2022 (see attached). ®
- 4. Business.**
 - a) Investment Policy – (next step).
 - b) Library Board Review Budget and Capital Expenses (review).
 - c) Short Term Rental Questionnaire Results (update).
 - d) Building Permits (next step).
 - e) Purchasing Policy and Revisions consistent with Consultant/Auditor(see attached).
- 5. Next Meeting Date.**
- 6. Adjournment. ®**



The Corporation of the Township of Seguin

Finance Committee

Draft Minutes of August 30th, 2022

A meeting of the Township of Seguin Finance Committee was held August 30th, 2022 at the Township of Seguin Municipal Office Council Chambers and by electronic participation

The following Members were present:

- Jim Beatty, Chair (Council Chambers)
- Dan Hildebrandt (videoconference)
- Walter McCormick (videoconference)
- Craig Reith (videoconference)

Staff present:

- Donna McLeod (Council Chambers)

Guests present:

- Michele Fraser (videoconference)
- Stefanie Veneranda (videoconference)

Regrets were received from:

- Jason Inwood, Chief Administrative Officer

Resolution No. 2022-016

Moved by: Dan Hildebrandt

Seconded by: Craig Reith

“THAT the Township of Seguin Finance Committee does hereby convene at 4:05 pm on August 30th, 2022.”.

CARRIED

Approval of Agenda.

After the meeting was called to order, the Chair requested approval of the Agenda. The Agenda was approved with the addition of 3a) Adoption of amended Draft Minutes of June 28th, 2022.

Disclosure of Pecuniary Interest.

The Chair requested the disclosure of any possible pecuniary interests, none were declared.

Resolution No. 2022-017

Moved by: Craig Reith

Seconded by: Walter McCormick

“**THAT** the Township of Seguin Finance Committee does hereby approve the amended Minutes of the Committee Meeting of June 28th, 2022 as circulated.”.

CARRIED

Business.

Presentation from Stefanie Veneranda (CEO) of Seguin Public Libraries

Stefanie Veneranda presented to the Finance Committee on Seguin Public Libraries budgeting, long term plans and future ideas.

Action Items:

- **Stefanie Veneranda will provide the Seguin Public Libraries 2022 Proposed Budget, 2023 Proposed Budget, Reserves Committee Action Plan – Updated Timeline and the Strategic Plan 2022 to Donna McLeod.**
- **Donna McLeod will email the documents to the Finance Committee members.**

Target Session re: 2023 Budget

Michele Fraser (CFO) gave an overview of the 2023 Preliminary Budget Assumptions Input. There was a discussion regarding budgeting challenges given the significant costing and inflationary environment. The finance committee provided a number of suggestions for thought by council.

Action Items:

- **Michele Fraser will provide the Budget Schedule to Donna McLeod.**
- **Donna McLeod will email the document to the Committee members.**

Investment Policy

The Finance Committee reviewed A Proposal to Research a Seguin Township Investment Policy with the addition in the last paragraph on page one (A Conservative estimate would be 200 to 250 basis points above current returns).

Action Items:

- **Jim Beatty will make the change and send it to Donna McLeod.**
- **Donna McLeod will add the Proposed to Research a Seguin Township Investment Policy to the Seguin Township Council Meeting held Tuesday, September 6th, 2022 for Council to consider.**

Pending Item for Future Meeting:

- Taxing/Licensing for Short Term Rental
- Building Permit Process and Road Conditions.

Resolution No. 2022-018

Moved by: Walter McCormick

Seconded by: Craig Reith

“THAT the Township of Seguin Finance Committee does hereby adjourn at 5:25 pm to meet again on September 28th, 2022 at 4:00 pm or at the call of the Chair.”.

CARRIED

Jim Beaty
Chair

Donna McLeod
Acting Deputy Clerk

Background

Pursuant to Section 270(1) of the Municipal Act, the Township of Seguin is required to adopt policies with respect to the procurement of goods and services. The purpose and objective of this Policy is to define the approach to be used by the Township for the procurement of goods and services, including the nature of procurement activities to be undertaken and the levels of authority assigned to Township staff and Council for the initiation and approval of procurements.

Discussion

The goal of the Procurement Policy is to ensure the Township acquires the right goods and services when needed while achieving best value through a transparent, fair and competitive process. In doing so, the Township's procurement practices shall, to the greatest extent possible:

- a) Obtain the best value for the Township when procuring goods, services and construction.
- b) Acquire the necessary quality and quantity of goods, services and/or construction in an efficient, timely and cost effective manner while maintaining the controls necessary over the use of public funds.
- c) Encourage the most open, transparent competitive bidding practical for the acquisition and disposal of goods, services and construction, with the objective and equitable treatment of all vendors
- d) Encourage effective business planning such that goods, services and construction will only be acquired after consideration of needs, alternatives, timing and appropriate life cycle.
- e) Minimize environmental impacts, and promote and incorporate, wherever possible, environmental stewardship.
- f) Coordinate with other publicly funded agencies in co-operative purchasing arrangements, when the best interests of the Township are served.
- g) Promote and incorporate, whenever possible, the requirements of the Ontarians with Disabilities Act, 2001 (ODA) and the Accessibility for Ontarians with Disabilities Act, 2005 (AODA), specifically Ontario Regulation 429-07 and Ontario Regulation 191-11.
- h) Comply with all applicable trade agreements, laws and regulations.

Definitions

Municipal Act. Municipal Act, 2001, S.O. 2001 c. 25

Blanket Purchase Contract. An agreement for the purchase of goods and/or services which will be required frequently or repetitively but where the exact quantity of goods and/or services required may not be precisely known or the time period during which the goods and/or services are to be delivered may not be precisely determined.

Chief Administrative Officer. The individual appointed as Chief Administrative Officer under the Municipal Act, 2001, Section 229.

Contract. Any formal or deliberate written agreement for the purchase of goods, services, equipment or construction including but not limited to Purchase Orders and contractual agreements that are used for the acquisition of goods and/or services for a specific requirement.

Emergency. An event or occurrence that the Chief Administrative Officer or their designate deem as an immediate threat to public health, the maintenance of essential Township services or the welfare and protection of persons, property or the environment, and the event or occurrence necessitates the

immediate need for goods or services to mitigate the emergency and time does not permit for a competitive procurement process.

Director. Members of the Township's senior management team responsible for the management of a Township Department.

Proposal. A sealed written offer from any company or individual in response to a publicly advertised invitation to provide goods or services to the Township where the requirements cannot be definitely specified and may be subject to further negotiation.

Purchase Order. A written offer to purchase goods or services on the form prescribed by the Purchasing Coordinator. A Purchase Order is considered to be a legally binding Contract on behalf of the Township.

Quotation. An offer or submission received from a vendor, contractor or consultant in response to a request for Quotation.

Single Source Procurement. A procurement made where there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specifications.

Sole Source Procurement. A procurement made where goods or services are only available from one supplier.

Tender. A sealed written offer submitted on a Township Tender form by any company or individual in response to a publicly advertised invitation to supply stipulated goods, services or construction at a particular price, which may be subject to acceptance or rejection.

Treasurer. The individual appointed by Council as the Municipal Treasurer under the Municipal Act, 2001, Section 286.

Procurement Policy

A. General Provisions

1. The Treasurer is responsible for ensuring that the Purchasing Policies and Procedures approved by Council are understood and used consistently by all Township Departments. The Treasurer or designate shall also, according to the aforementioned policies, direct the purchasing function and act as a resource during all aspects of purchasing decision making including Contract management.
2. No purchase of goods, services and construction shall be authorized unless it is in compliance with this Policy. The Township reserves the right to not accept any goods, services and construction that are obtained without following the provisions of this Policy, and any invoices received may not be processed for payment.
3. Subdividing, splitting or otherwise structuring procurement requirements or contracts in order to reduce the procurement value or in any way circumvent the requirements or intent of this Policy is not permitted.
4. The Treasurer is responsible for maintaining procedures, protocols, templates and forms for use during the procurement process. From time to time, the Treasurer and CAO are authorized to revise these items, and establish new administrative policies, direction and procedures.
5. Upon the recommendation of the Treasurer, the Township may enter into Blanket Purchase

Contracts for goods and/or services which will be required frequently or repetitively but where the exact quantity of goods and/or services required may not be precisely known or the time period during which the goods and/or services are to be delivered may not be precisely determined.

6. Upon the recommendation of the Treasurer, the Township may participate in cooperative purchasing agreements with any legitimate public partner to leverage buying power and reduce workload in Contract issuance and administration. All Township departments shall participate in cooperative purchasing agreements unless the Chief Administrative Officer approves an exclusion.
7. Goods or services required by more than one department are considered to be common items. The procurement of common items will be coordinated by the Treasurer. At the discretion of the Treasurer, the procurement of common items may be delegated to a department within the Township. All Township departments shall participate in common item procurements unless the Chief Administrative Officer approves an exclusion.
8. No purchase of goods and services associated with computer software, hardware and/or telecommunications equipment will be authorized without the completion of an appropriate review by the Township's information technology function.
9. Where the Township has conducted a competitive procurement process, unsuccessful bidders may request a debriefing to be conducted by the Treasurer.
10. The Township shall preclude a respondent from bidding if such respondent has made a formal demand or otherwise put the Township on notice of a pending action or is involved in any actual litigation proceedings (excluding construction lien demands, notices or proceedings) by or against or otherwise involving the Township, until a final decision is rendered and for three years afterwards.
11. Any unsolicited bids must comply with the provisions of this Policy, including the requirement for a competitive procurement process.

B. Separation of the Role of Council and Operational Decision-Making

12. In accordance with best practices in municipal procurement, there is a need for a clear separation of political and administrative functions in relation to the Township's procurement of goods, services and construction. It is the role of Council to establish Policy and approve expenditures through the Township's budget process. Through this Policy, Council delegates authority to Township employees to incur expenditures in accordance with approved budgets through the procurement of goods, services and construction in accordance with the rules and requirements set out herein.
13. To avoid the potential appearance of bias or political influence in procurement Contract award decisions, members of Council will have no involvement in competitive procurement processes from the time those procurement processes have been initiated through the advertisement or issuance of the solicitation document until a Contract has been entered into with the successful bidder, except where Council is required to approve the Contract award in accordance with the provisions of this Policy.

C. Delegated Authorities

1. Delegated authorities to commence a procurement, award a Contract and execute a legal agreement or issue a Purchase Order evidencing a Contract are set out in the table below. A Contract must be

established by evidence of a legal agreement and/or the issuance of a Purchase Order before the delivery of goods, services or construction commences.

2. The delegated procurement authorities under this Policy are conditional upon:
 - a. The availability of approved funding in an amount sufficient to cover the procurement value including the unrecoverable portion of HST; and
 - b. The procurement process being conducted in accordance with this Policy.

	Procurement Approach	Threshold	Approval Authority
Procurement of goods, services and construction	Non-competitive	Less than \$10,000	Director or designate
	Invitational (three written quotes)	\$10,001 to \$50,000	Treasurer or designate
	Open competition (Request for Tender or Request for Proposal)	Greater than \$50,000	Chief Administrative Officer
Sole Source and Single Source procurements	Non-competitive	Less than \$10,000	Director or designate
	Invitational (three written quotes)	\$10,001 to \$50,000	Treasurer or designate
	Open competition (Request for Tender or Request for Proposal)	Greater than \$50,000	Chief Administrative Officer

3. The dollar figures set out in the above thresholds include the non-refundable portion of HST and any other applicable costs (e.g. freight, installation, licensing fees). For multi-year Contract awards, the thresholds are determined based on the total value of the Contract and not the annual cost.
4. Notwithstanding any other provisions of this Policy, Council approval is required for the following procurements:
 - a. Any Contract prescribed by statute to be made by Council.
 - b. Any Contract requiring approval from the Ontario Municipal Board.
 - c. Any procurements that are not compliant with the provisions of the Policy.
 - d. Any contracts not previously approved by Council during the budget process for which staff have not identified sufficient funding from other sources.
 - e. Any recommendations to amend the total value of a Contract in excess of the original bid where:
 - i. The amount of the amendment is in excess of \$50,000; and
 - ii. In the opinion of the Treasurer, funds are not available for the additional expenditure.

- f. Any contracts requiring transfers from Reserves or Reserve Funds not previously approved by Council during the budget process.

D. Low value procurements

1. Procurements up to \$10,000 shall be considered low value procurements.
2. Low value procurements do not require the issuance of a Purchase Order.
3. The Director may designate approval authority to Managers for lower value procurements.
4. No solicitation of competitive Quotations is required for low value procurements. However, all due diligence must still be used to ensure that the goods or services provided are purchased in a manner that demonstrates professionalism, seeks to secure the lowest possible price and provides the best value to the taxpayers.

E. Invitational procurements

1. Procurements greater than \$10,000 but not exceeding \$50,000 that are not related to the procurement of exempt items or non-standard procurements are eligible to be completed through an invitational Quotational process.
2. The Director or their designate are authorized to solicit three Quotations under an invitational procurement.
3. All invitational procurements require the receipt of three Quotations. Where three Quotations are requested but not received, appropriate documentation shall be maintained on file to evidence the requests for Quotations.
5. All invitational procurements shall require the issuance of a Purchase Order by the Director, to be approved by the Treasurer or their delegate.

F. Requests for Proposals

1. Request for Proposal procedures shall be used for procurements in excess of \$50,000 that are not related to the procurement of exempt items or non-standard procurements where:
 - a. The requirement is best described in a general performance specification;
 - b. Innovative solutions are sought; and
 - c. To achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements.
2. In certain circumstances, it is advantageous to conduct a pre-qualification process. In this process, Vendors respond to a request or an advertisement and submit an application to pre-qualify for the right to bid on a future project.
3. The Director shall be the lead for the Request for Proposal process and will have overall responsibility for coordinating the technical aspects of the Request for Proposal process.
4. A selection committee will be formed with a minimum of three evaluators and be comprised of at least one representative from the department and the Treasurer or designate. The evaluators shall review all compliant proposals against the established criteria, reach consensus on the final rating results,

and ensure that the final rating results with supporting documents, are kept in the procurement file.

5. During the Request for Proposal process all communication with the proponents shall be through the applicable Department.
6. The Township reserves the right in its absolute sole discretion to accept or reject any submission.

G. Requests for Tenders

1. Request for Tender procedures shall be used for procurements in excess of \$100,000 that are not related to the procurement of exempt items or non-standard procurements where:
 - a. The requirement can be fully defined; and
 - b. Best value for the Township can be achieved by an award selection made on the basis of the lowest bid that meets all terms, conditions and specifications.
2. The Director shall be the lead for the Request for Tender process and will have overall responsibility for coordinating the technical aspects of the Request for Tender process, including arranging for the public disclosure of bid submissions at the date and time specified in the bid document.
3. The Township reserves the right in its absolute sole discretion to accept or reject any submission.

H. Emergency procurements

1. In the event of an Emergency as defined by this Policy, the Chief Administrative Officer, Treasurer, Directors and their designates are authorized to enter into purchase agreements without the requirement for a formal competitive process.
2. Emergency procurements in excess of \$50,000 must be reported to Council at the next scheduled meeting following the Emergency.
3. The Director responsible for the Emergency procurement is required to forward an appropriate purchase order to the Treasurer within five business days after the date of the purchase agreement.

I. Non-standard procurements

1. A Sole Source Procurement may be conducted if the goods and/or services are available from only one supplier by reason of:
 - a. Statutory or market based monopoly;
 - b. Competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, license, technical secrets or controls of raw material;
 - c. The complete item, service, or system is unique to one supplier and no alternative or substitute exists.
2. A Single Source Procurement may be conducted if the goods and/or services are available from more than one source, but there are valid and sufficient reasons for selecting one supplier in particular, including but not limited to the following:
 - a. An attempt to acquire the required goods and/or services by soliciting competitive bids has been made in good faith, but has failed to identify more than one willing and compliant supplier;
 - b. The confidential nature of the requirement is such that it would not be in the public interest to solicit competitive bids;

- c. Construction, renovations, repairs, maintenance etc. in respect of a building leased by the Township may only be done by the lessor of the building, in accordance with a lease agreement;
 - d. There is a need for compatibility with goods and/or services previously acquired or the required goods and/or services will be additional to similar goods and/or services being supplied under an existing Contract (i.e. Contract extension or renewal);
 - e. The required goods and/or services are to be supplied by a particular supplier(s) having special knowledge, skills, expertise or experience;
 - f. The goods are purchased under circumstances which are exceptionally advantageous to the Township, such as in the case of a bankruptcy or receivership;
 - g. It is advantageous to the Township to acquire the goods or services from a supplier pursuant to the procurement process conducted by another public body;
 - h. It is advantageous to the Township to acquire the goods or services directly from another public body or public service body;
 - i. Another organization is funding or substantially funding the acquisition and has determined the supplier, and the terms and conditions of the commitment into which the Township will enter are acceptable to the Township;
 - j. The acquisition is for a particular brand of goods or services that are intended solely for resale to the public and no other brand is desirable and the brand is not available from any other source; or.
 - k. Where due to abnormal market conditions, the goods, services or construction required are in short supply.
3. Where a Sole Source Procurement or Single Source Procurement is undertaken, the Director responsible for the procurement in conjunction with the Treasurer is required to document the rationale for the use of a non-standard procurement.

J. Exempt procurements

1. This Policy does not apply to the acquisition of the goods, services and construction listed in Schedule A.

K. Records retention

1. All procurement activities must be supported by appropriate documentation and all records relating to a procurement process must be retained in accordance with the Township's Record Retention Policy and any associated records management policies and practices.
2. Disclosure of information relating to the Township's procurement processes must be made in accordance with applicable procurement procedures and protocols and the Township's policies with respect to disclosure and protection of information in accordance with the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and the Personal Health Information Protection Act (PHIPA), as amended.

L. Dispute resolution

1. Disputes shall be resolved as follows:
 - a. Meeting between the bidder and the applicable Director.
 - b. If the meeting in 1(a) does not lead to resolution, meeting between the bidder and Treasurer.
 - c. If the meeting in 1(b) does not lead to resolution, meeting between the bidder and Chief Administrative Officer and Township Solicitor.

- d. If the meeting in 1(c) does not lead to resolution, referral of the dispute to Council for resolution.

M. Township's code of conduct and conflict of interest

1. Township employees and elected officials shall not use their authority or office for personal gain, and shall seek to uphold and enhance the standing of the Township by:
 - a. Maintaining a standard of integrity in all their business relationships both inside and outside the organization;
 - b. Fostering professional competence amongst those for whom they are responsible;
 - c. Optimizing the use of resources for which they are responsible so as to provide the maximum benefit to the Township;
 - d. Complying with the letter and spirit of:
 - i. The Municipal Conflict of Interest Act, R.S.O. 1990, c.M.50, as applicable;
 - ii. The Purchasing Management Association's "Principles and Standards of Purchasing Practice," and any other such guidance on professional practice as may be issued by the Township from time to time;
 - iii. Relevant policies implemented by the Township, including but not limited to the Township's Code of Conduct;
 - iv. Relevant trade agreements;
 - v. Existing contractual obligations; and
 - vi. Other relevant legislation or regulation as may be applicable in the circumstances.
2. All participants in a procurement process, including external consultants or other service providers acting on the Township's behalf, must declare any perceived, possible or actual conflicts of interest.
3. No Township employees or elected officials shall:
 - a. Purchase or offer to purchase, on behalf the Township, any goods or services except in accordance with this Policy.
 - b. Bid on the Township's purchases of goods, services or construction.
 - c. Purchase surplus assets except by public auction, or similar process, unless expressly authorized by Council.
4. No personal purchases shall be made by the Township for Members of Council, any appointment member of a Board or Committee or for any employees, except for items purchased as service awards, for the general recognition of the individual's contribution to the Township, or in accordance with the Township's Employee Purchase Plan.

N. Supplier code of conduct

1. The Township expects its suppliers to act with integrity and conduct business in an ethical manner.
2. The Township may refuse to do business with any supplier that:
 - a. Has engaged in illegal or unethical bidding practices;
 - b. Has an actual or potential conflict of interest;
 - c. Had demonstrated inadequate performance under a previous contract with the Township; or
 - d. Fails to adhere to ethical business practices.
3. All suppliers participating in a procurement process must declare any perceived, possible or actual conflicts of interest.
4. Illegal or unethical bidding practices include, but are not limited to:

- a. Bid-rigging, price fixing, bribery or collusion or other behaviors or practices prohibited by Federal or Provincial statutes;
 - b. Attempt to gain favor or advantage by offering gifts or incentives to Township officers and employees, members of Council or any other representative of the Township;
 - c. Knowingly submitting inaccurate or misleading information in response to a procurement opportunity; and
 - d. Engaging in any other activity that compromises the Township's ability to run a fair procurement process.
5. In providing goods, services or construction to the Township, suppliers are expected to adhere to ethical business practices, including but not limited to:
- a. Performing all work in a professional and competent manner and in accordance with the terms and conditions of the Contract;
 - b. Complying with all applicable laws, including safety and labor legislation;
 - c. Ensuring that fair wages are paid to their employees;
 - d. Providing workplaces that are free from harassment or discrimination of any kind; and
 - e. Minimizing the environmental impacts of their products or services.

O. Policy review

1. This Policy will be reviewed every five years or earlier at the recommendation of the Treasurer.

P. Disposition of assets

1. Departments should undertake reviews of assets from time to time to determine which are no longer used, which have become obsolete or otherwise approaching end of useful life, in order to determine which can be deemed surplus.
2. Identified surplus assets should be disposed of in the following order of priority:
 - a. Used as a trade-in for the replacement of a new asset; then
 - b. Offered to other departments for use. The value of the surplus asset transferred to another department should be calculated as its net book value for financial reporting purposes; then
 - c. Identified surplus assets not required by other departments may be made available through a public auction, tendering process or other means that are consistent with the provisions of this Policy.
3. Proceeds on disposition of surplus assets should be allocated to the reserve that was used to purchase the asset originally. In the event that the original purchase of the asset was not funded from reserves, proceeds will be contributed to the Capital Reserve Fund.

Schedule A

Exempt procurements

This Policy does not apply to the acquisition of the following goods, services and construction:

1. Goods or services related to training and education:
 - a. Conferences, conventions, courses and seminars
 - b. Newspapers, magazines, books and periodicals
 - c. Memberships
 - d. Computer software for educational purposes

2. Services provided by the following licensed professionals:
 - a. Medical doctors
 - b. Dentists
 - c. Nurses
 - d. Pharmacists
 - e. Lawyers
 - f. Notaries
 - g. Cyber security consultants

3. Payments related to the following:
 - a. Salaries, wages and benefits
 - b. Payroll deduction remittances
 - c. WSIB premiums
 - d. Health benefits
 - e. Union Contract or employee agreement expenses
 - f. Honorariums and related expenses for committee members
 - g. Expert witnesses
 - h. Arbitrators
 - i. Employee and Councillor expense reports
 - j. Debenture or loan payments
 - k. Damage claims
 - l. Legal settlements
 - m. Arbitration awards
 - n. Petty cash replenishment
 - o. Charges from other government bodies, including school boards
 - p. Council approved grants and donations
 - q. Refunds for Township services
 - r. Licensing fees
 - s. Utilities