



The Regional Municipality of Durham

Finance & Administration Committee Agenda

Council Chambers
Regional Headquarters Building
605 Rossland Road East, Whitby

Tuesday, March 10, 2020

9:30 AM

1. Declarations of Interest

2. Adoption of Minutes

- A) Finance & Administration Committee meeting – February 11, 2020

Pages 4 - 26

3. Statutory Public Meetings

There are no statutory public meetings

4. Delegations

There are no delegations

5. Presentations

There are no presentations

6. Administration

6.1 Correspondence

6.2 Reports

- A) The Regional Municipality of Durham's Accessibility Advisory Committee's 2019 Annual Report and 2020 Workplan (2020-A-5)

27 - 33

- B) Authorization to extend the Agreement with CompuCom Canada for provision of Desktop Computers and Monitors, Laptops, Tablets and related Services (2020-A-6)

34 - 39

- C) Authorization to utilize the Province of Ontario Vendor of Record (VOR) Arrangement # 'OSS Tender 6065' and enter into separate agreements with Softchoice LP for provision of x86-64 Servers (small/medium/large blade and rack), related Components and Services, and with CompuCom Canada Co. for provision of Hyper-Converged Infrastructure Appliance Solution and related Services during the term of the VOR including extensions (2020-A-7) 40 - 45
- D) Expanding the Region's Tree Canopy on Private Residential Properties (2020-A-8) 46 - 57
- E) Revised Terms of Reference for the Durham Region Roundtable on Climate Change (2020-A-9) 58 - 64

7. Finance

7.1 Correspondence

7.2 Reports

- A) Write-off of Arrears of Former Tenants of the Durham Regional Local Housing Corporation for the Year Ended December 31, 2019 (2020-F-5) 65 - 67
- B) The Remuneration and Expenses in 2019 of Members of Regional Council and Regional Council Appointees to Local Boards, as Required by Section 284(1) of the Municipal Act, 2001, S.O. 2001, c. 25 (2020-F-6) 68 - 76
- C) Updates to the Budget Management Policy and Purchasing By-law (2020-F-7) 77 - 139
- D) Confirmation of the Region's Triple "A" Credit Rating by S&P Global Ratings (2020-F-8) 140 - 142

8. Advisory Committee Resolutions

There are no advisory committee resolutions to be considered

9. Confidential Matters

There are no confidential matters to be considered

10. Other Business

11. Date of Next Meeting

Tuesday, April 14, 2020 at 9:30 AM

12. Adjournment

Notice regarding collection, use and disclosure of personal information:

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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, February 11, 2020

A regular meeting of the Finance & Administration Committee was held on Tuesday, February 11, 2020 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM

Present: Councillor Foster, Chair
Councillor Collier, Vice-Chair
Councillor Ashe
Councillor Drew
Councillor Leahy left the meeting at 11:42 AM
Councillor Mulcahy
Councillor Nicholson
Regional Chair Henry

Also

Present: Councillor Barton attended for part of the meeting
Councillor Bath-Hadden attended for part of the meeting
Councillor Chapman attended for part of the meeting
Councillor Highet
Councillor Kerr
Councillor Marimpietri attended for part of the meeting
Councillor Joe Neal attended for part of the meeting
Councillor John Neal attended for part of the meeting
Councillor Smith
Councillor Wotten

Staff

Present: E. Baxter-Trahair, Chief Administrative Officer
J. Austin, Deputy General Manager, Business Services, DRT
D. Beaton, Commissioner of Corporate Services
D. Bertrim, Deputy Chief, DRPS, attended for part of the meeting
K. Chakravarthy, Chief Information Officer, Corporate Services – IT
T. Cheseboro, Director and Chief of RDPS, Emergency Medical Services, attended for part of the meeting
S. Danos-Papaconstantinou, Commissioner of Social Services
J. Demanuele, Director of Business Services, Works Department
C. Drimmie, Manager, Corporate Initiatives, Office of the CAO, attended for part of the meeting
S. Gill, Director of Economic Development and Tourism, Planning and Economic Development
D. Holmes, Director, Business Affairs and Financial Management, Social Services Department

W. Holmes, General Manager, DRT
J. Hunt, Director, Legal Services, Corporate Services – Legal
R. Inacio, Systems Support Specialist, Corporate Services – IT
R. Jagannathan, Director of Transportation and Field Services, Works Department, attended for part of the meeting
M. Januszkiewicz, Director of Waste Management, Works Department, attended for part of the meeting
R.J. Kyle, Commissioner and Medical Officer of Health
T. Lavery, Manager, Corporate Communications
G. le Riche, Director, Business Solutions, DRPS, attended for part of the meeting
S. MacLellan, Chief Administrative Officer, DRPS, attended for part of the meeting
Chief Martin, Chief of Police, DRPS, attended for part of the meeting
G. Muller, Director of Planning, Planning and Economic Development
L. O'Dell, Director, Departmental Services, Corporate Services – HR
N. Pincombe, Director of Business Planning, Budgets and Risk Management
T. Rollauer, Deputy Chief, DRPS, attended for part of the meeting
S. Siopis, Commissioner of Works
N. Taylor, Commissioner of Finance
R. Walton, Regional Clerk/Director of Legislative Services
C. Bandel, Deputy Clerk, Corporate Services – Legislative Services
T. Fraser, Committee Clerk, Corporate Services – Legislative Services, attended for part of the meeting

1. Declarations of Interest

Councillor Drew made a declaration of interest under the Municipal Conflict of Interest Act with respect to Item 8.4 B): Report #2020-F-4 of the Commissioner of Finance re: The 2020 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit, as it relates to Regional Operations. She indicated that her son is an employee of the Works Department.

2. Adoption of Minutes

Moved by Councillor Leahy, Seconded by Councillor Drew,
(14) That the minutes of the following meetings be adopted:

- Regular Finance & Administration Committee meeting held on January 14, 2020; and
- Special Finance & Administration Committee meeting held on January 29, 2020.

CARRIED

3. Statutory Public Meetings

There were no statutory public meetings.

4. Delegations

There were no delegations to be heard.

5. Presentations

There were no presentations to be heard.

6. Administration

6.1 Correspondence

There were no communications to consider.

6.2 Reports

There were no Administration reports to consider.

7. Finance

7.1 Correspondence

There were no communications to consider.

7.2 Reports

A) Amendment to Vehicle Advance and Casual Travel Reimbursement Rates Policy (2020-F-2)

Report #2020-F-2 from N. Taylor, Commissioner of Finance, was received.

Moved by Councillor Leahy, Seconded by Councillor Drew,
(15) That we recommend to Council:

That the policy for Vehicle Advance and Casual Travel Reimbursement Rates, for reimbursement for the use of a personal vehicle while on Regional business and included in Attachment #1 to Report #2020-F-2, be approved, effective January 1, 2020.

CARRIED

8. Business Plan and Budget Review and Property Tax Study

8.1 Presentations

- A) Elaine Baxter-Trahair, Chief Administrative Officer, Nancy Taylor, Commissioner of Finance, and Nicole Pincombe, Director, Business Planning, Budgets and Risk Management, re: The 2020 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit (2020-F-4) and 2020 Strategic Property Tax Study (2020-F-3)
-

E. Baxter-Trahair, N. Taylor and N. Pincombe provided a detailed PowerPoint presentation on the 2020 Regional Business Plans and Budgets and 2020 Strategic Property Tax Study. A copy of their presentation was provided as a handout. Highlights from the presentation included:

- Overview
 - 2019 Accomplishments
 - 2020 Budget Guideline and Budget Priorities
 - Public Engagement
- Financial Overview
 - Assessment Growth
 - Assessment Base Composition
 - Assessment at Risk
 - 2020 Regional Reassessment Impacts
 - Regional Property Tax Supported Budget
 - 2020 Regional Property Taxes – Average Home
 - Regional Assets
 - Major Capital Budget and Forecast
 - 2020 Base Pressures
 - Line-By-Line Review
 - Use of Reserves and Reserve Funds
- Budget Overview
 - 2020 Preliminary Provincial Funding Impacts
 - Respond to Growth and Affordability Pressures and Support the Vulnerable Sector
 - Innovate and Modernize Operations and Administration
 - Accommodate Ongoing Legislative and Regulatory Changes
 - Invest in Infrastructure Renewal
- Summary
 - Future Budget Pressures
 - Risks and Uncertainties
 - 2020 Regional Property Tax Impacts
 - 2020 Business Plans and Budgets

N. Taylor noted that the average Regional property tax increase is 2.2% for an average residential tax increase of \$59. She added that the Regional residential property tax impact varies by municipality.

Staff responded to questions with respect to Regional Council's 2020 budget guideline; changes as a result of the phase-out of vacancy policies; previous requests to the Province to include upper-tier municipalities in the assessment complaints and appeal process; tax ratios for the multi-residential class; the decline in the industrial property class share; the decrease in the non-residential share of the property tax base; the increase in the farmland property tax class; assessment appeals; the Durham Regional Police Service Capital Forecast; increased funding for climate change adaptation and mitigation plans; the number of new positions proposed in the 2020 budget; the report and recommendations from Pricewaterhouse Coopers regarding the Customer Corporate Service Strategy and Citizen Experience Transformation Project; the proposal for a new Clarington paramedic station; proposals to increase industrial development; estimated amount of assessment growth; annual staffing increases; 2020 risks and uncertainties; and the Municipal Property Assessment Corporation (MPAC) 2020 property assessment update.

Councillor Joe Neal requested that staff provide him with a chart outlining the annual staffing increases.

The Committee recessed at 10:53 AM and reconvened at 11:05 AM.

8.2 Correspondence

A) Memorandum from the Transit Executive Committee, re: 2020 Durham Region Transit Business Plans and Budgets (2020-DRT-05)

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(16) That Report #2020-DRT-05 from the General Manager of Durham Region Transit be referred to Report #2020-F-4 of the Commissioner of Finance.
CARRIED

B) Memorandum from the Health & Social Services Committee, re: 2020 Health Department Business Plans and Budgets (2020-MOH-1)

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(17) That Report #2020-MOH-1 from the Commissioner & Medical Officer of Health be referred to Report #2020-F-4 of the Commissioner of Finance.
CARRIED

- C) Memorandum from the Health & Social Services Committee, re: 2020 Social Services Department Business Plans and Budgets (2020-SS-1)

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(18) That Report #2020-SS-1 from the Commissioner of Social Services be referred to Report #2020-F-4 of the Commissioner of Finance.

CARRIED

- D) Memorandum from the Planning & Economic Development Committee, re: 2020 Planning and Economic Development Department Business Plans and Budgets (2020-P-1)

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(19) That Report #2020-P-1 from the Commissioner of Planning and Economic Development be referred to Report #2020-F-4 of the Commissioner of Finance.

CARRIED

- E) Memorandum from the Works Committee, re: 2020 Works Department General Tax and Solid Waste Management Business Plans and Budgets (2020-W-15)

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(20) That Report #2020-W-15 from the Commissioner of Works be referred to Report #2020-F-4 of the Commissioner of Finance.

CARRIED

- F) Memorandum from the 9-1-1 Management Board, re: 9-1-1 Management Board 2020 Budget

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(21) That the memorandum from the 9-1-1 Management Board regarding the 9-1-1 Management Board 2020 Budget be referred to Report #2020-F-4 of the Commissioner of Finance.

CARRIED

- G) Memorandum from the Durham Regional Local Housing Corporation, re: 2020 Durham Regional Local Housing Corporation Business Plan and Budget

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(22) That the memorandum from the Durham Regional Local Housing Corporation regarding the 2020 Durham Regional Local Housing Corporation Business Plan and Budget be referred to Report #2020-F-4 of the Commissioner of Finance.

CARRIED

8.3 Business Plans and Budgets

Moved by Regional Chair Henry, Seconded by Councillor Ashe,
(23) That the agenda be altered in order to consider Item D) Health 2020
Business Plans and Budgets and Item E) Social Services 2020 Business
Plans and Budgets next.

CARRIED

D) Health 2020 Business Plans and Budgets

The Committee reviewed the Health 2020 Business Plans and Budgets, including:

- Public Health
- Paramedic Services

Councillor Chapman provided a brief overview of the Health and Social Services
2020 Budgets.

Dr. Kyle responded to questions with respect to the reduction in the budget for the
screening of chronic diseases, and if a long-term review of the program is
undertaken.

E) Social Services 2020 Business Plans and Budgets

The Committee reviewed the Social Services 2020 Business Plans and Budgets,
including:

- Emergency Management and Program Support Services
- Social Assistance
- Children's Services
- Family Services
- Housing Services
- Long Term Care and Services for Seniors

N. Taylor responded to a question with respect to the net budget increases for the
Health and Social Services Departments and whether they meet the budget
guideline set by Regional Council.

A) Conservation Authorities 2020 Business Plans and Budgets

The Committee reviewed the Conservation Authorities 2020 Business Plans and
Budgets, including:

- Central Lake Ontario
- Kawartha Region
- Ganaraska Region
- Toronto and Region

- Lake Simcoe Region

N. Taylor responded to questions with respect to plans to deal with shoreline erosion along Lake Ontario. Councillor Nicolson requested that consideration be given to funding for shoreline erosion remediation in the next budget cycle.

B) Durham Regional Police Service 2020 Business Plans and Budgets

The Committee reviewed the Durham Regional Police Service 2020 Business Plans and Budgets.

Discussion ensued with respect to including 20 additional full-time police officers in the 2020 budget.

Chief Martin responded to questions with respect to DRPS staffing, whether there is a long-term hiring plan, and methods that can be used to pay for it. Chief Martin advised there is a 5-year staffing plan which can be shared with Council.

Chief Martin responded to further questions regarding the use of the police helicopter and the potential use of drones; and, how often a formal review is undertaken on the need for a police helicopter.

Discussion also ensued regarding the 9-1-1/Communications Unit staffing and the responsibility for the hiring of staff and scheduling of resources. Chief Martin advised that this is the responsibility of the Durham Regional Police Service and reporting is to the 9-1-1 Management Board. He advised that DRPS is meeting the performance standards for 9-1-1 calls. Councillor Nicholson requested a copy of the standards and response times.

C) Durham Region Transit 2020 Business Plans and Budgets

The Committee reviewed the Durham Region Transit 2020 Business Plans and Budgets.

Councillor Collier provided a brief overview of the Durham Region Transit 2020 Budgets.

D) Health 2020 Business Plans and Budgets

This item was considered earlier in the meeting. Refer to page 7 of these minutes.

E) Social Services 2020 Business Plans and Budgets

This item was considered earlier in the meeting. Refer to page 7 of these minutes.

F) Planning & Economic Development 2020 Business Plans and Budgets

The Committee reviewed the Planning & Economic Development 2020 Business Plans and Budgets, including:

- Planning
- Economic Development

G) Works 2020 Business Plans and Budgets

The Committee reviewed the Works 2020 Business Plans and Budgets, including:

- Works – General Tax
- Solid Waste Management

S. Siopis responded to questions with respect to snow removal and whether there are plans to work with area municipalities on coordinating the clearing of Regional roads and associated sidewalks. It was requested that staff look at a comprehensive approach to the clearing of sidewalks with area municipal staff.

H) Finance & Administration 2020 Business Plans and Budgets

The Committee reviewed the Finance & Administration 2020 Business Plans and Budgets, including:

- Regional Council
- Regional Chair's Office
- Chief Administrative Officer
- Corporate Services
- Durham Emergency Management Office
- Emergency 9-1-1 Telephone System
- Finance
- Non Departmental
- Special Contributions
- Durham Region Local Housing Corporation
- Provincial Download Service Costs

N. Taylor responded to a question with respect to expanding the Councillor expense budget to include communications with constituents.

8.4 Reports

A) 2020 Strategic Property Tax Study (2020-F-3)

Report #2020-F-3 from N. Taylor, Commissioner of Finance, was received.

Moved by Councillor Collier, Seconded by Councillor Ashe,
(24) That we recommend to Council:

That for the 2020 property taxation year, the municipal property tax ratios for the following property classes for the Regional Municipality of Durham be set as follows and the requisite by-law be prepared, and approval be granted:

Multi-Residential	1.8665
New Multi-Residential	1.1000
Landfill	1.1000
Pipelines	1.2294
Farmland	0.2000
Managed Forests	0.2500

Commercial Broad Class

(including Shopping Centres, Office Buildings, Parking Lots and Residual)

Occupied	1.4500
Vacant Land	1.4500
Excess Land	1.4500
On Farm	1.4500

Industrial Broad Class

(including Large Industrial and Residual)

Occupied	2.0235
Vacant Land	2.0235
Excess Land	2.0235
On Farm	2.0235

CARRIED

- B) The 2020 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit (2020-F-4)
-

Report #2020-F-4 from N. Taylor, Commissioner of Finance, was received.

Discussion ensued with respect to the proposed addition of 20 new full-time officers for Durham Regional Police Services. Detailed discussion also ensued with respect to the merits of continuing with Toronto Global.

Moved by Councillor Ashe, Seconded by Councillor Collier,
(25) That we recommend to Council:

2020 General Purpose Property Tax Business Plans and Budgets

A) That the 2020 Business Plans and Property Tax Budgets for General Purposes (excluding Durham Region Transit and Solid Waste Management) be approved, at a total net property tax requirement of \$588,411,000 as detailed within the 2020 Regional Business Plans and Budgets, which are highlighted in this report and summarized as follows:

	2020 Tax Requirements (\$000s)
Regional Operations	
i) Departmental Operations	269,752
ii) Regional Roads Reserve – Growth	12,549
iii) Regional Roads – Rehabilitation Reserve Fund	26,050
iv) Regional Bridges – Rehabilitation Reserve Fund	5,525
Total Regional Operations	313,876
v) Police Service	213,225
vi) Social Housing - Corporate	43,324
vii) Conservation Authorities	8,376
viii) Special Contributions:	
ix) Land Conservation and Protection Reserve Fund	567
Special Contribution:	474
x) - Trent University - Durham	667
xi) - Durham College – Whitby	360
xii) - Oak Ridges Hospice of Durham	239
xiii) - Durham Region Hospice (Clarington)	2,670
xiv) - Durham Region Community Investment Grant	2,670
Total Special Contributions	4,977
SUBTOTAL	583,778
xv) Deferral for Seaton Assessment Growth	3,176
xvi) Adjustment to Assessment Base (re: Assessment under appeal)	1,457
TOTAL GENERAL PROPERTY TAX PURPOSES	588,411

B) That the 2020 Net Major Tangible Capital Asset Program for General Property Tax Purposes (excluding Solid Waste, Durham Region Transit and Conservation Authorities’ requirements) in the amount of \$110,923,000 be approved, and the 2021 to 2029 Capital Forecast in the amount of \$1,633,890 as detailed in the following table be received for information purposes only and subject to future approvals:

GENERAL PURPOSES
Tangible Capital Asset Requirements (\$000's)

	2020 Recommended (\$000's)	Forecast					Forecast Total (\$000's)
		2021 (\$000's)	2022 (\$000's)	2023 (\$000's)	2024 (\$000's)	2025-2029 (\$000's)	
Major Capital							
Police Services							
Operations Training Centre - Phase 2						31,020	31,020
Facility Repairs & Renovations	515	1,500	1,500	1,500	1,500	7,500	13,500
Police Education and Innovation Centre Transition Space	8,200						
Clarington Police Complex Phase 2 - Regional Support Centre and Centre for Investigative		80,000					80,000
Durham North West Seaton				3,315	29,830		33,145
North Division Expansion					4,100		4,100
Central West Parking Garage					10,000		10,000
Central East Division					58,565		58,565
Police Service Subtotal	8,715	81,500	1,500	1,500	4,815	141,015	230,330
Paramedic Services							
Ambulance Stations - Clarington	1,783	3,300					3,300
Ambulance Stations - Uxbridge				5,700			5,700
Paramedic Services Subtotal	1,783	3,300		5,700			9,000
Health & Social Services							
Space Optimization - 101 Consumers	2,000						
Seniors Dental Clinic Renovations	2,048						
New Ontario Works Delivery Location					20,000		20,000
Sunderland Relocation and Expansion - Child Care		1,250					1,250
Seaton Facility			8,300				8,300
New Long Term Care Home					82,485		82,485
Health and Social Services Subtotal	4,048	1,250	8,300		102,485		112,035
Headquarters							
Expansion of Garage					10,000		10,000
Space Optimization	8,077	2,700	2,700	2,570			7,970
Headquarters Subtotal	8,077	2,700	2,700	2,570	10,000		17,970
Works Operations							
Regional Roads Program	88,300	107,750	142,860	132,015	126,705	731,510	1,240,840
Depots			6,518	8,641	1,200	7,356	23,715
Works Operations Subtotal	88,300	107,750	149,378	140,656	127,905	738,866	1,264,555
Total Major Capital	110,923	196,500	153,578	153,026	138,420	992,366	1,633,890

- C) That financing for the 2020 Major Tangible Capital Asset Program for General Property Tax Purposes in the net amount of \$110,923,000 be approved as follows:

		2020 Recommended (\$000's)					
		Headquarters Space Optimization (\$000's)	Health & Social Services (\$000's)	Police	Paramedic	Works Operations	Total
Major Capital Financing Sources							
Property Taxes				515	1,783	6,200	8,498
Development Charges						25,761	25,761
Rehabilitation / Special Road Reserve Funds						46,239	46,239
Federal Gas Tax						10,100	10,100
Debentures							
Provincial Subsidy			2,048				2,048
Federal Grant							
Other ⁽¹⁾⁽²⁾⁽³⁾		8,077	2,000	8,200			18,277
Total Financing		8,077	4,048	8,715	1,783	88,300	110,923

Note:

1. Contribution from Reserves for Headquarters Space Optimization
2. Contribution from Reserves for Space Optimization - 101 Consumers
3. Contribution from Reserve Fund for Police Education and Training Centre

Contributions for Regional Roads and Bridges

- D) That a 2020 contribution of \$12,549,000 to the Regional Roads Reserve – Growth be authorized to allow for financing of Road Capital Construction Projects;
- E) That a 2020 contribution of \$26,050,000 to the Regional Roads Rehabilitation Reserve Fund be authorized to assist with roads rehabilitation requirements;
- F) That a 2020 contribution of \$5,525,000 to the Regional Bridges Rehabilitation Reserve Fund be authorized to assist with bridge rehabilitation requirements;

Durham Regional Local Housing Corporation

- G) That the 2020 Budget for the Durham Regional Local Housing Corporation be approved in the amount \$9,895,000;

Conservation Authorities

- H) That funding totalling \$6,115,288 for 2020 operations be approved for the Region's five Conservation Authorities as summarized below:

Central Lake Ontario Conservation Authority	\$4,068,185
Kawartha Region Conservation Authority	641,880
Ganaraska Region Conservation Authority	493,762
Toronto and Region Conservation Authority	656,600
<u>Lake Simcoe Region Conservation Authority</u>	<u>254,861</u>

Total Conservation Authority Operations Funding \$6,115,288

- I) That funding totalling \$1,693,446 for 2020 special projects be approved for the Region's Conservation Authorities as summarized below:

Kawartha Region Conservation Authority	\$145,145
Ganaraska Region Conservation Authority	235,130
Toronto and Region Conservation Authority	838,221
<u>Lake Simcoe Region Conservation Authority</u>	<u>474,950</u>

Total Conservation Authority Special Projects Funding \$1,693,446

- J) That funding totalling \$200,000 for 2020 land management expenditures be approved for properties within Durham Region as outlined below:

Central Lake Ontario Conservation Authority	\$85,000
Kawartha Region Conservation Authority	15,000
Ganaraska Region Conservation Authority	37,000
Toronto and Region Conservation Authority	41,000
<u>Lake Simcoe Region Conservation Authority</u>	<u>22,000</u>

Total Conservation Authority Land Management Funding \$200,000

- K) That the York/Peel/Durham/Toronto/Groundwater Management Initiatives be continued in 2020 at a funding level of \$175,000 for ongoing groundwater protection initiatives jointly funded with the City of Toronto, Region of York and Region of Peel;

- L) That the special funding requests as outlined below be approved subject to the accountability of project costs incurred and project completion:

- i) Central Lake Ontario Conservation Authority for phase two of five of the Restoration Program in the amount of \$150,000;
- ii) Kawartha Conservation Authority for phase two of two of the Watershed Planning project in the amount of \$30,000;
- iii) Kawartha Conservation Authority for phase two of two for Website Design and Implementation in the amount of \$7,080;
- iv) Kawartha Conservation Authority for phase two of five for the Digitization of Corporate Records in the amount of \$5,310;

- M) That a contribution of \$566,610 to the Land Conservation and Protection Reserve Fund be authorized to assist in financing requests for funding received from the five Conservation Authorities to acquire environmentally sensitive lands within the Region, based on eligibility criteria per the approved Regional Land Acquisition Reserve Fund Policy;

Special Contributions

- N) That the second of three annual funding contributions to Trent University Durham for the expansion of Trent University Durham Campus be approved, up to a maximum amount of \$474,000 for 2020 with the required financing provided from the Durham Region Community Investment Grant envelope; and further that funds be released at the discretion of the Commissioner of Finance in accordance with the executed funding agreement and the accountability of capital costs;
- O) That the request for funding from Durham College – Whitby Campus for up to a maximum of \$2.0 million over three years (\$666,667 per year) for the construction of a new 60,300 square foot building to allow the College to expand its capacity in the millwright, elevator and electrical skill trades programs and to address student space requirements be approved, with the required financing to be provided for annually from the Durham Region Community Investment Grant envelope; and further that funds be released at the discretion of the Commissioner of Finance subject to an executed funding agreement and accountability of capital costs;
- P) That the Regional Chair and Regional Clerk be authorized to execute the agreement with Durham College;
- Q) That an additional Regional funding allocation of up to \$359,650 be provided to Oak Ridges Hospice of Durham for the planned expansion of the Port Perry hospice to an eight bed facility, in addition to the \$350,000 approved by Regional Council in 2018 for the original five bed facility, with the required financing to be provided for from the Durham Region Community Investment Grant envelope in accordance with the Durham Region Community Investment Grant policy;
- R) That an additional Regional funding allocation of up to \$239,500 be provided to Durham Region Hospice for the planned expansion of the Clarington hospice to a nine bed facility, in addition to the \$265,650 approved by Regional Council in 2018 for the original five bed facility, with the required financing to be provided for from the Durham Region Community Investment Grant envelope in accordance with the Durham Region Community Investment Grant policy;

Solid Waste Management 2020 Business Plan and Budget

- S) That the 2020 Business Plan and Budget for Solid Waste Management at a net property tax requirement of \$47,736,000 be approved as detailed in the 2020 Solid Waste Management Business Plan and Budget;
- T) That the 2020 Scott Landfill Reclamation Project, included in the 2020 Major Tangible Capital Assets Program for Solid Waste Management, be approved in the gross amount of \$60,000 to be financed from property taxes, and further that the remaining 2020 Major Tangible Capital Asset Program totalling \$163,500,000 and the Capital Forecast for the period 2021 to 2029 in the amount of \$243,224,800 as detailed below be received for information purposes only and subject to additional future approvals:

**SOLID WASTE MANAGEMENT
Tangible Capital Asset Requirements (\$000's)**

	2020 Recommended (\$000's)	Forecast					
		2021 (\$000's)	2022 (\$000's)	2023 (\$000's)	2024 (\$000's)	2025-2029 (\$000's)	Forecast Total (\$000's)
Major Capital							
Landfill Remediation / Reclamation	60	4,225	1,845	1,360	220	4,350	12,000
Long-term Organics Management Plan	163,500						
Durham/York Energy Centre Modifications and/or New Waste Management Facilities (WMFs)		100	900			210,000	211,000
Future Optimizations or New Sites		2,600	3,153	500	1,100	3,152	10,505
New Seaton Facility		8,500					8,500
Upgrades of Equipment at Material Recovery Facility (MRF)		660	260				920
Long Term Waste Management Master Plan		300					300
Total Major Capital	163,560	16,385	6,158	1,860	1,320	217,502	243,225
Major Capital Financing Sources							
Property Taxes	60						
Debentures	130,800						
Solid Waste Reserve Fund	32,700						
Total Financing	163,560						

Durham Region Transit 2020 Business Plan and Budget

- U) That the 2020 Business Plan and Budget for Durham Region Transit be approved at a total net property tax requirement of \$60,702,000, as detailed in the 2020 Durham Region Transit Business Plan and Budget;

- V) That the 2020 Major Tangible Capital Asset Program for Durham Region Transit be approved in the gross amount of \$14,942,000 and the Capital Forecast for the period 2021 to 2029, totalling \$347,522,000 as summarized below be received for information purposes only and subject to future approvals:

DURHAM REGION TRANSIT
Tangible Capital Asset Requirements (\$000's)

	2020		Forecast											
	Recommended		2021		2022		2023		2024		2025-2029		Forecast Total	
	#	(\$000's)	#	(\$000's)	#	(\$000's)	#	(\$000's)	#	(\$000's)	#	(\$000's)	#	(\$000's)
Major Capital														
Growth Related														
Vehicles	1	40	7	5,262	8	4,770	9	5,401	10	6,032	57	40,708	91	62,173
Vehicle Outfitting	-	-	21	369	24	391	27	440	30	490	171	3,028	273	4,718
New Indoor Bus Storage/Service Facility		3,750		250		-		80,000		-		37,300		117,550
New Facility in Seaton Phase 1 Maintenance Garage:		-		-		-		-		-		25,000		25,000
Crossbeams for Articulated Buses		18		-		-		-		-		-		-
Subtotal	1	3,808	28	5,881	32	5,161	36	85,841	40	6,522	228	106,036		209,441
Replacement														
Vehicle Replacement and Refurbishment	11	9,280	7	4,841	18	10,229	21	11,536	22	11,969	117	62,022	185	100,597
Replacement Vehicle Outfitting	6	500	6	78	14	211	16	208	16	208	84	1,226	136	1,931
Facilities Rehabilitation		148		962		-		11		25		-		998
Subtotal		9,928		5,881		10,440		11,755		12,202		63,248		103,525
Other														
Passenger Amenities		-		1,620		5,660		5,360		360		2,050		15,050
System Improvements Capital		1,206		2,560		8,500		1,184		4,461		2,800		19,505
Subtotal		1,206		4,180		14,160		6,544		4,821		4,850		34,555
Total Major Capital		14,942		15,942		29,761		104,140		23,544		174,134		347,522

- W) That financing for the 2020 Major Capital Asset Program for Durham Region Transit in the gross amount of \$14,942,000 be approved as follows:

	2020 Recommended (\$000's)
Major Capital Financing Sources	
Property Taxes	1,033
Development Charges	2,589
Debentures	1,200
Federal Gas Tax	10,100
Federal Grant	20
Total Financing	14,942

Financial Management and Accountability

- X) That the Listing of 2020 Regional Fees and Charges, as set forth in the 2020 Regional Business Plans and Budgets be approved and made available to the public and all applicable By-laws be amended accordingly;
- Y) That the funding previously approved and set aside for the Healthcare Institution capital investments be consolidated in the Durham Region Healthcare Institution Reserve Fund;
- Z) That based upon the 2020 Regional Business Plans and Budgets as recommended herein, the Commissioner of Finance be authorized to set 2020 Regional Property Tax Rates for General Purposes, Solid Waste Management and Durham Region Transit and approval be granted for the requisite By-laws;
- AA) That Capital project approval be granted for expenditures and financing per the 2020 Capital Project Detail pages within the 2020 Regional Business Plans and Budgets where contract awards are consistent with the Regional Budget Management Policy;

- BB) That for any Regional program change or capital expenditure included within the 2020 Regional Business Plans and Budgets which is proposed to be financed in whole, or in part, from Provincial/Federal subsidies or related revenues, neither staffing, capital nor other related Regional expenditures can be committed until such time as adequate written confirmation is received from the respective provincial/federal ministry to commit to the subsidy or related revenues (Finance and Administration Committee and Regional Council will be advised accordingly, consistent with the Regional Budget Management Policy);
- CC) That funding totalling up to \$59,850 be approved for the Pickering Auxiliary Rescue Association with the funding to be provided from within the 2020 Risk Management program of the Finance Department's 2020 Business Plan and Budget to be administered by the Finance Department in consultation with the Durham Regional Police Service based upon services rendered;
- DD) That staff continue to work with COMRA to finalize their 2020 funding submission and that the approval and financing of COMRA's 2020 request be at the discretion of the Commissioner of Finance; and be administered by the Finance Department in consultation with the Durham Regional Police Service; and
- EE) That the reporting of the Impact of Excluded Expenses for tangible capital asset amortization, post-employment benefits and solid waste landfill closure/post-closure expenses be adopted, per requirements under the Ontario Regulation 284/09 of the Municipal Act, 2001 and the Public Sector Accounting Board (PSAB):

**ESTIMATED IMPACT OF EXCLUDED EXPENSES
ON ACCUMULATED SURPLUS
FOR THE 2020 BUSINESS PLANS AND BUDGETS (000'S)**

	<u>2019</u>		<u>2020</u>		
	<u>Total</u>	<u>Property Tax</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
	\$		\$	\$	\$
<u>PSAS Additions to Budget</u>					
Tangible Capital Asset Amortization	142,386	89,152	24,673	30,659	144,484
Post-Employment Benefit Expense	11,274	12,278	623	716	13,617
Landfill Closure Costs - (Decrease)/Increase in Liability	(612)	4,701	-	-	4,701
Transfers from Reserves and Reserve Funds	72,753	110,254	6,221	11,383	127,858
Proceeds of Debit issued for Regional Purposes	-	-	-	-	-
Total PSAB Additions	<u>225,801</u>	<u>216,385</u>	<u>31,517</u>	<u>42,758</u>	<u>290,660</u>
<u>PSAS Reductions to Budget</u>					
Gross Tangible Capital Assets Acquisitions	(364,719)	(327,029)	(82,032)	(77,293)	(486,354)
Less: Tangible Capital Asset Recoveries	24,971	52,417	962	18,343	71,722
Net Tangible Capital Asset Acquisitions	(339,748)	(274,612)	(81,070)	(58,950)	(414,632)
Debt Principal Payments	(22,076)	(11,003)	-	(5,971)	(16,974)
Transfers to Reserves and Reserve Funds	(103,252)	(99,849)	(8,956)	(26,022)	(134,827)
Contributed Tangible Capital Assets	(16,269)	(1,259)	(6,843)	(7,231)	(15,333)
Total PSAB Reductions	<u>(481,345)</u>	<u>(386,723)</u>	<u>(96,869)</u>	<u>(98,174)</u>	<u>(581,766)</u>
Net Impact - (Increase) to Accumulated Surplus	<u>(255,544)</u>	<u>(170,338)</u>	<u>(65,352)</u>	<u>(55,416)</u>	<u>(291,106)</u>

CARRIED AS AMENDED LATER IN THE
MEETING ON A RECORDED VOTE (See
Following Motions)

Moved by Councillor Ashe, Seconded by Councillor Collier,
(26) That the main motion (25) of Councillors Ashe and Collier be amended as follows:

- i) in Part A) v) Police Service by replacing the figure "213,225" with the figure "214,725";
- ii) in Part A) by replacing the total net property tax requirement figure of "\$588,411,000" with the figure "\$589,911,000"; and
- iii) in Part A) by replacing the Total General Property Tax Purposes figure "588,411" with the figure "589,911";

for the addition of 20 new permanent full-time officers for Durham Regional Police Services.

CARRIED

Moved by Councillor Collier, Seconded by Councillor Drew,
(27) That the main motion (25) of Councillors Ashe and Collier be amended to add the following as a new Part FF):

'FF) That the \$206,397 under Line Item 23 (Toronto Global) of the Non-Departmental budget be re-directed to the Economic Development budget and be applied to Economic Development initiatives.

CARRIED LATER IN THE MEETING ON A
RECORDED VOTE (See Following Motions)

Moved by Regional Chair Henry, Seconded by Councillor Ashe,
(28) That the foregoing amending motion (27) of Councillors Collier and Drew be referred directly to Regional Council for consideration at the February 26, 2020 meeting.

DEFEATED ON THE FOLLOWING
RECORDED VOTE:

Yes

Councillor Ashe
Regional Chair Henry
Councillor Foster

No

Councillor Collier
Councillor Drew
Councillor Mulcahy
Councillor Nicholson

Members Absent: Councillor Leahy

Declarations of Interest: None

The foregoing amending motion (27) of Councillors Collier and Drew was then put to a vote and CARRIED ON THE FOLLOWING RECORDED VOTE:

Yes

Councillor Collier
Councillor Drew
Councillor Mulcahy
Councillor Nicholson

No

Councillor Ashe
Regional Chair Henry
Councillor Foster

Members Absent: Councillor Leahy

Declarations of Interest: None

Moved by Councillor Mulcahy, Seconded by Councillor Nicholson,
(29) That the main motion (25) of Councillors Ashe and Collier be divided in order to allow voting on Part A) i) Regional Operations separately from the remainder.

CARRIED

Part A i) was then put to a vote and CARRIED. Councillor Drew declared a conflict of interest on this item earlier in the meeting and did not vote on this item.

The main motion (25) of Councillors Ashe and Collier, as amended, [with the exception of Part A) i)] was then put to a vote and CARRIED UNANIMOUSLY ON THE FOLLOWING RECORDED VOTE:

<u>Yes</u>	<u>No</u>
Councillor Ashe	None
Councillor Collier	
Councillor Drew	
Regional Chair Henry	
Councillor Mulcahy	
Councillor Nicholson	
Councillor Foster	

Members Absent: Councillor Leahy

Declarations of Interest: None

9. **Advisory Committee Resolutions**

9.1 Durham Region Roundtable on Climate Change

A) Letter from Regional Chair Henry on behalf of the DRRCC to the Members of Parliament Representing Durham Region Ridings

Moved by Councillor Nicholson, Seconded by Councillor Mulcahy,
(30) That we recommend to Council:

That Regional Chair Henry send a letter with respect to working together to ensure we can meet our collective goals for climate action, as approved by the DRRCC at their meeting on January 17, 2020 to the Members of Parliament representing Durham Region ridings, on behalf of the DRRCC.

CARRIED

10. **Confidential Matters**

There were no confidential matters to be considered.

11. **Other Business**

There was no other business to be considered.

12. Date of Next Meeting

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, March 10, 2020 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Councillor Collier, Seconded by Councillor Nicholson,
(31) That the meeting be adjourned.

CARRIED

The meeting adjourned at 12:46 PM

Respectfully submitted,

A. Foster, Chair

Committee Clerk



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Elaine Baxter-Trahair, Chief Administrative Officer
Report: #2020-A-5
Date: March 10, 2020

Subject:

The Regional Municipality of Durham's Accessibility Advisory Committee's 2019 Annual Report and 2020 Workplan

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

- A) That the CAO's Report #2020-A-5 be received for information as The Regional Municipality of Durham's Accessibility Advisory Committee's 2019 Annual Report; and
 - B) That the Regional Municipality of Durham's Accessibility Advisory Committee's 2020 Workplan be approved.
-

Report:

1. Purpose

1.1 The purpose of this report is to present the Accessibility Advisory Committee's (AAC) 2019 Annual Report and 2020 Workplan to the Finance and Administration Committee and Regional Council.

2. Background

2.1 In June 2005, the Ontario Legislature passed the Accessibility for Ontarians with Disabilities Act, 2005 (AODA). The AODA builds on the previous Ontarians with Disabilities Act, 2001 (ODA) and both acts are still in effect.

2.2 Municipalities are required to have AACs which advise Council by:

- a. Providing advice on the preparation of accessibility reports and plans required under the AODA.

- b. Advising Council on the requirements and implementation of accessibility standards.
 - c. Reviewing site plans and drawings for buildings and facilities.
- 2.3 In addition, as outlined in the Terms of Reference (ToR) the AAC is also active in the following areas:
- a. Committee education
 - b. Communication and outreach
- 2.4 The ToR also requires that the Office of the Chief Administrative Officer prepares an annual report to Committee and Council.

3. Durham Region's Accessibility Advisory Committee

- 3.1 Legislation stipulates that AACs must ensure a majority of its members are persons with disabilities. Two new members joined Durham's AAC over the past year. Ten community members plus one Regional Councillor, comprise the AAC. One vacancy is currently being filled.

4. Durham Region AAC 2019 Achievements

4.1 Events

- a. An Annual AAC Joint Forum was held in October with attendance from most of the local area municipal AACs. Alf Spencer, Director of the Public Education and Outreach Branch at the Ministry for Seniors and Accessibility spoke about community accessibility awareness projects around the province. Pam DeWilde and Loretta Karikari, from the Welcome Centre Immigrant Services, presented on their service being a one-stop service, designed to guide and support immigrants in Durham and York Region. Tracy Roulston and David Billham spoke to the Forum about the Challenger Baseball Field Project in the Town of Whitby, which is an accessible baseball diamond.
- b. The Region's AAC presented Accessibility Awards at this event. These awards acknowledge persons/businesses/organizations that have made considerable effort to incorporate accessibility into their operations. Nominations are sought from each of the eight area municipalities. In 2019 awards were presented to:
 - Ajax – Michele McIntosh and Sandra Valentine, owners of Jolie Café, operate a small eatery/bakery which has an extremely warm and

welcoming environment. They strive on getting to know the needs of their customers so their experience coming to the café is positive. They embrace feedback and continue to make their business more accessible as needs arise. They eliminated the one step at the entrance and created a smooth transition from the sidewalk to the front door.

- Brock – The Beaverton Town Hall Players believe in making their theatre accessible to everyone. An elevator was installed in the auditorium a few years ago and in the last year eight hearing assist devices are available for patrons to use. Many patrons of the theatre are elderly, and these devices can now help them hear the actors much better. Accessibility has been and will continue to be a priority for theatre goers.
- Clarington – Brianna’s Sweet Treats in Bowmanville, owned and operated by Brianna Synyard, believes in meaningful and inclusive employment for persons with autism and has demonstrated this commitment by hiring Carley. Carley works part time decorating items in the shop. Through mentorship by Brianna, Carley’s decorating skills have improved remarkably, and her confidence has grown and is a valued member of the team. It is through this kind of leadership that barriers to employment are removed, biases challenged, and positive change occurs.
- Oshawa – The Living Room Community Art Studio provides supportive opportunities for individuals and families living in Oshawa, to express themselves and connect with others through experiences or art making, skill sharing and dialogue. Studio services are offered at no, or low cost to ensure that all members of the community are included. Art making is an activity enjoyed by people of all ages, abilities and from all walks of life.
- Pickering – Team Frozen Foods, made up of staff from the City of Pickering and friends, participated in the DRPS second annual Polar Plunge in support of The Law Enforcement Torch Run for Special Olympics. This team raised \$12,425.00 to take the plunge, in support of Special Olympics. The Torch Run engages law enforcement worldwide championing acceptance and inclusion for people with intellectual disabilities.
- Whitby – Durham Escape Room has built their games to be accessible for all to enjoy. What is particularly impressive is that they also made

their employee areas built to physical accessibility standards to position them to be able to accommodate employee needs. They are also working towards translating clues in different ways to accommodate patrons who are deaf or blind, by incorporating braille, audio or all visual clues.

- c. One AAC member sits on the Transit Advisory Committee and provides input on behalf of the AAC. In addition, they ensure that the AAC members are apprised of all relevant information. The Council representative on the AAC also sits on the Transit Executive Committee (TEC), to make additional connections and share information.

4.2 Education – the AAC received the following presentations for information:

- a. M.A. Bent and G. Barnes from the Canadian National Institute for the Blind (CNIB) presented information about BlindSquare navigation technology. As of May 2018, CNIB is the sole distributor of BlindSquare beacon installations in Canada. BlindSquare is the world's most widely used accessible GPS-app developed for the blind and visually impaired. Paired with third-party navigation apps, BlindSquare's self-voicing app delivers detailed points of interest and intersections for safe, reliable travel both outside and inside.
- b. K. Galloway from Kerry's Place Autism Services stating the mission of Kerry's Place is to enhance the quality of life for persons with Autism Spectrum Disorder (ASD) and to empower them and their families, through evidence-based, innovative and person-directed supports. She reviewed the support team and advised that they offer the following supports: consultation services; resource library; workshops; groups; camps; trainings; foundations program; day support program; and residential services. Kerry's Place also offers social and recreational groups for people of all ages with ASD as well as camps for children between the ages of 8 to 12. There is also a Foundations Program that is goal driven and available only in Durham Region. The Program supports goals around transitioning into adult life.
- c. D. Hughes, President and Managing Director, Liberty Hamlets Inc. provided a presentation about the Axess Condo Project in the City of Pickering. Liberty Hamlets Inc. is a Canadian developer in the Greater Toronto Area committed to bringing housing solutions to communities with specific attention to creating inclusivity for every demographic. The condominium designs promote functionality and independence for those with mobility challenges. The first 20% of units at Axess Condos Pickering will be available for individuals and

families with disabilities to purchase. An overview of the floor plans was discussed highlighting the design features that make them accessible, including: exterior cladding on balconies; wider entrance ways; wider turning locations; placement of washers/dryers; daily shuttle service to local amenities; service animal and a dog run area; gym; multi-purpose room; areas of refuge; and outdoor and sensory gardens. Support Services to residents will also be available.

- d. C. Slaughter, Works Technician, Waste Management provided information about the Blue Box Pilot Project which addresses litter from blue boxes on windy days. A prototype lid was created, made from recycled tires. The lids slip over the corners of the blue box, are heavy enough not to blow away and hold recyclable materials securely in place. AAC committee members were able to try the lids and give their feedback from an accessibility perspective.
- e. J. Austin, Deputy General Manager, Business Services and M. Duffy, Manager of Safety and Training, Durham Region Transit (DRT) provided an overview of the DRT Strategic Framework. The 2019 priorities were outlined including how members of the public can get involved with DRT. They also spoke about operator training that involves a minimum of 16 days in-class and in-vehicle training, mandatory AODA training and participate in a Cyclical Training Program.
- f. C. Drimmie, Manager, Corporate Initiatives, asked the AAC their input on three questions: challenges, top priorities/most pressing issues and what should Durham be known for/opportunities, to include as their feedback for the new Durham Region Strategic Plan.
- g. J. Phalen, DRT Transit Planning and Scheduling, highlighted the different aspects of bus stop planning and incorporating accessibility into this. DRT service changes were also reviewed.
- h. S. Kemp, Manager, Traffic Engineering and Operations, explained the purpose of Accessible Pedestrian Signals (APS), along with the process of where and when installation of them occurs.

4.3 Communications

- a. Regular accessibility articles are included in staff newsletters.

4.4 Community outreach/advocacy

- a. During National Access Awareness Week, AAC members staffed a display in the Galleria at Region Headquarters highlighting the accessibility of Regional services along with information about community agencies that champion accessibility. Two lunch and learns were held for staff. Guide dogs/service animals versus therapy dogs was the topic of one lunch and learn. An ambassador of the Canadian National Institute for the Blind (CNIB) educated staff on what the role of the service animal/guide dog is. Guide dog etiquette was explained for staff to understand when and when not to approach a guide dog. Two volunteers from the St. John Ambulance therapy dog program explained their program and what they do and who they serve. The second lunch and learn was educating staff about the CNIB Phone It Forward Program. This CNIB program takes donated smartphones, securely removes data, refurbishes them and then provides the phone to a person with sight loss who can use it as an aid.
- b. AAC members attended the Metrolinx, Durham Region Transit accessibility public meeting at the Abilities Centre and the Abilities Centre annual gala fundraiser.

5. 2020 Workplan for the Durham Region AAC

- 5.1 An AAC Workplan is developed annually to outline the scope and activities of the AAC. It includes necessary activities for meeting requirements of both the ODA and AODA. The workplan includes:
 - a. Providing advice and reviewing annually, the Accessibility Report created by the staff liaison in the CAO's office;
 - b. Reviewing site plans for new builds and extensive renovations to existing buildings that the Region owns and/or operates to ensure accessibility has been included in the design;
 - c. Forming of subcommittees in the areas of site plan review, traffic/road improvements, accessibility awards, education and communication and ad hoc committees as required throughout the year.
 - d. Education development continues throughout the year, as required, for AAC members, Councillors and staff. Education sessions take place when changes to the AODA standards occur, by agencies who serve the disability community

and by staff who present initiatives from departments where feedback from this committee is required;

- e. Communicating the work that the AAC does annually to Regional Council and staff through AAC minutes of meetings, the staff e-newsletter, newspaper articles when appropriate and meetings with other AACs within the region;
- f. Presentation of Durham AAC Accessibility Awards annually to recognize individuals, services and/or businesses that have championed, achieved and/or embraced accessibility in each of our local area municipalities.

6. Conclusion

- 6.1 The AAC will continue to meet legislative obligations of both the ODA and AODA. Activities and consultation with staff will be important elements of their work. Their expertise, experience and dedication are of great value to the accessibility work undertaken at the Region of Durham. Advice given to Regional Council and staff will continue to be an integral piece to the Region's identification, removal and prevention of barriers to accessibility.

Respectfully submitted,

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Corporate Services
Report: #2020-A-6
Date: March 10, 2020

Subject:

Authorization to extend the Agreement with CompuCom Canada for provision of Desktop Computers and Monitors, Laptops, Tablets and related Services.

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

- A) That the Agreement with CompuCom Canada Ltd. for provision of Desktop Computers and Monitors, Laptops, Tablets and related services be extended for eighteen (18) months at a total estimated cost of \$2,160,000; and
 - B) That the Commissioner of Finance be authorized to execute any related, required agreements and amendment agreements.
-

Report:

1. Purpose

- 1.1 Per Council direction, desktop replacement is managed through a continual refresh of the environment on a 4-year basis for desktops and 3-year for laptops/tablets. There are approximately 4,000 computing units at the Region, consisting of 51% desktop computers and 49% laptops/tablets.
- 1.2 Due to the ongoing nature of the Region's requirements for new and replacement desktops and laptops/tablets, and the established deployment schedules, uninterrupted supply of the noted products and related services is of great importance.

2. Background

- 2.1 The current Provincial VOR arrangement for Desktop Management Services and Products is the result of an open and competitive process (Request for Proposals) completed by the Treasury Board Secretariat in September 2014.
- 2.2 The Province of Ontario's Treasury Board Secretariat entered into its Agreement with a single Supplier, CompuCom Canada Co., to acquire Desktop Management Services and Products as of February 2015.
- 2.3 The Province's VOR arrangement for use by Provincially Funded Organizations (PFOs) started on May 8, 2015, with an initial term of 3 years, and with options to extend for up two additional one-year terms (already exercised).
- 2.4 The VOR arrangement had allowed CompuCom Canada Co., at its discretion, to provide Desktop Management Services and Products, through a separate agreement with any interested PFO under the VOR.
- 2.5 All equipment offered through the Provincial VOR arrangement is compatible with the Region's current information technology standards. In November 2015, Regional Council approved Report #2015-A-36 (Attachment #1) to enter into an agreement with CompuCom under the VOR established earlier that year. Following Council approval, a standing agreement was set up in January 2016, and extended in compliance and alignment with the extended VOR, with current expiry date of May 7, 2020.
- 2.6 Earlier this month, the Provincial government advised the Region that the government is currently assessing all options in respect to this VOR (including an extension until a new RFP is issued) and will soon provide further details. At the time of this report, no further update has been announced by the Province in respect to this VOR.
- 2.7 The recommended 18-month extension to the existing agreement ensures uninterrupted provision of the requirements, allows joining a new VOR (yet to be established by the Province) for similar requirements, and provides ample time should the Region consider issuing its own RFP for provision of the requirements.

3. Financial Implications

- 3.1 Section 8.1 of the Purchasing By-law 68-2000 (as amended) allows for negotiation of purchases.
- 3.2 The replacement of desktop/laptop/tablet products is financed annually through the budgets of each respective Regional Department. The estimated cost of extending the agreement for another eighteen (18) months is \$2,160,000.

3.3 The Provincial Agreement with CompuCom Canada Co. provides the Province and PFOs with a significant discount off published Canadian prices for Desktop Management Services and Products, as a result of its economies of scale, resulting in considerable savings for the Region for purchases of Desktop Management Services and Products.

4. Conclusion

4.1 It is therefore recommended that:

- a. The Agreement with CompuCom Canada Ltd. for provision of Desktop Computers and Monitors, Laptops, Tablets and related Services be extended for 18 months at the total estimated cost of \$2,160,000; and
- b. The Commissioner of Finance be authorized to execute any related, required agreements and amendment agreements.

5. Attachments

Attachment #1: Report #2015-A-36

Respectfully submitted,

Original signed by

D. Beaton, BCom, M.P.A.
Commissioner of Corporate Services

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2095



The Regional Municipality of Durham Report

To: The Finance & Administration Committee
 From: Matthew L. Gaskell, Commissioner of Corporate Services
 Report: #2015-A-36
 Date: November 17, 2015

Subject:

Authorization to enter into the Province of Ontario's (Treasury Board Secretariat) Agreement for Desktop Management Services and Products -03 (DMSP3) (2015-A-36)

Recommendations:

That the Finance & Administration Committee recommends to Regional Council:

- A) That the Region of Durham be authorized to enter into the Province of Ontario's (Treasury Board Secretariat) agreement with CompuCom Canada Co. as the Vendor of Record for Desktop Management Services and Products until May 2018, with up to two additional one year extensions to coincide with the Provincial agreement; and
 - B) That the Commissioner of Finance be authorized to execute any required agreements to give effect to this approval.
-

Report:

1. Purpose

- 1.1 Per Council direction, desktop replacement is managed through a continual refresh of the environment on a 4 year basis for desktop and 3 year for Laptop/Tablet. There are approximately 4,000 computing units at the Region. The Region's current agreement with Compugen is expiring December 31, 2015. This agreement was based on the Province of Ontario's (Treasury Board Secretariat) Agreement for Desktop Management Services and Products -02.
- 1.2 Mobility is a major driver and an important aspect of the decision to support the every growing need of the Region's business needs and requirements. In 2014 and in 2015 there was a 48% increase in the replacement of machines with Laptop/Tablet rather than a standard desktop.

2. Background

- 2.1 The Provincial DMSP3 Agreement is the result of an open and competitive process (Request for Proposals) completed by the Treasury Board Secretariat in September 2014. The DMSP3 Agreement replaces VOR – 070589 (DMSP2) for Desktop Management Services and Products.
- 2.2 The Province of Ontario's Treasury Board Secretariat entered into an Agreement with a single Supplier, CompuCom Canada Co., to acquire DMSP3 effective February 6, 2015. The Province's original arrangement start date was May 8, 2015, and the initial 3 year term with CompuCom Canada Co. ends on May 7, 2018 – with the option to extend for an additional two (2) one-year periods.
- 2.3 The Provincial DMSP3 Agreement, CompuCom Canada Co. at its discretion to provide desktop management services and products through a separate agreement with any Provincially Funded Organization (PFO) that request Desktop Products and Services covered under the Ontario Public Service (OPS) VOR Agreement.
- 2.4 The Provincial VOR agreement provides cost certainty for Desktop Management Services and Products for a period of up to five (5) years.
- 2.5 The Region may choose to expand the agreement to include any future Desktop Services as outlined in Section 5c of the Vendor of Record User Guide for Provincially Funded Organizations to Publicly Funded Organization Agreement. The Region will be able to use the terms and conditions as defined in the current VOR Ontario Agreement to obtain the best price from the vendor for any required or expanded services. This will help reduce the amount of administration the Region spends on any Desktop Management Services and Products.

3. Financial Implications

- 3.1 The replacement of Desktop Management Services and Products is budgeted for through each respective Regional Department's budget that the Regional Council reviews and approves annually. All equipment offered through the Provincial DMSP3 Agreement is compatible with the Region's current information technology.
- 3.2 The Provincial Agreement with CompuCom Canada Co. provides the Province with a significant discount off published Canadian prices for Desktop Management Services and Products, as a result of its economies of scale. Obtaining access to that preferential pricing could result in considerable savings for the Region for purchases of Desktop Management Services and Products.
- 3.3 The Purchasing Division has confirmed that the procurement method undertaken by the Province can be expanded to include municipalities. Article 13.1 of the Region's Purchasing By-Law 68-2000 (as amended by By-law 23-2012 on April 25, 2015) permits the Region to enter into arrangements with area municipalities, local boards and other public bodies or authorities on a co-operative or joint basis where there are economic advantages in so doing.

3.4 Pricing for equipment has been reduced in the new agreement. The following chart outlines the recommended budgeted values for equipment under DMSP2 versus DMSP3.

<i>Equipment</i>	<i>DMSP2</i>	<i>DMSP3</i>
Standard Desktop	700	700
High End Desktop	3,700	3,600
Standard Laptop	1,900	1,700
High End Laptop	2,800	1,950

4. Conclusion & Next Steps

4.1 It is therefore recommended that the Region of Durham be authorized to enter into the Province of Ontario's (Treasury Board Secretariat) agreement with CompuCom Canada Co. as the Vendor of Record for Desktop Management Services and Products until May 2018 to coincide with the Provincial agreement. Further, it is recommended that the Commissioner of Finance be authorized to execute any required agreements to give effect to this approval.

4.2 This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with the financial recommendation.

Respectfully submitted,

M. Gaskell
Commissioner of Corporate Services

Recommended for Presentation to Committee

Garry H. Duffitt, M.S.W.
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Corporate Services
Report: #2020-A-7
Date: March 10, 2020

Subject:

Authorization to utilize the Province of Ontario Vendor of Record (VOR) Arrangement # 'OSS Tender 6065' and enter into separate agreements with Softchoice LP for provision of x86-64 Servers (small/medium/large blade and rack), related Components and Services, and with CompuCom Canada Co. for provision of Hyper-Converged Infrastructure Appliance Solution and related Services during the term of the VOR including extensions.

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

- A) That the Region of Durham be authorized to enter into two (2) separate agreements with Softchoice LP and with CompuCom Canada Co. through the Province of Ontario Vendor of Record (VOR) Arrangement # 'OSS Tender 6065' and during the term of the VOR Arrangement including any extensions, for provision of a Hyper-Converged Infrastructure (HCI) solution at the total estimated cost of \$300,000 plus annual support and maintenance at the estimated cost of \$30,000; and
- B) That the Commissioner of Finance be authorized to sign all related agreements and amendments to the agreements and issue purchase orders for provision of the requirements.

Report:**1. Purpose**

- 1.1 The purpose of this report is to seek Council approval to use the Province of Ontario Vendor of Record (VOR) Arrangement # 'OSS Tender 6065" and negotiate separate agreements with Softchoice LP and CompuCom Canada Co. for implementation of a Hyper-Converged Infrastructure (HCI) solution.

2. Background

- 2.1 Corporate Services – Information Technology (CS-IT) has a traditional data centre infrastructure consisting of compute, storage, and networking all as separate components supporting virtualized servers. In most cases, more capacity is purchased upfront than is required to allow for the ability to respond to requests to scale up quickly. This increases the cost of rack space, power, and cooling.
- 2.2 For the past ten (10) years, IT decision making has been impacted by financial pressures, to be able to provide the best services at the lowest cost. Changes in the workforce, service delivery, and data analysis generate value for the Region while continually increasing the demands on information technology infrastructure and its availability across remote offices. Typically, increased demand requires expansions, however advances in technology present additional options such as server and storage virtualization, software defined data centres, and cloud services. The Region has requirements that are individually best suited to each of these options, including a base of technology that is required to reside in the Regional data centre and cannot move to the cloud.
- 2.3 Hyper-Converged Infrastructure (HCI) combines compute, storage, networking, and virtualization into simple, scalable building blocks. This makes IT infrastructure easier to purchase, deploy, manage, and scale as HCI solutions are available as plug-and-play appliances or as software that runs on vendor hardware. Other advantages for implementing HCI at the Region over the traditional infrastructure include but are not limited to:
 - a. Improved Operational Efficiency
 - A properly implemented HCI platform will eliminate bottlenecks by providing a centralized administration and a consolidated infrastructure which reduces the number of vendors that we rely on for support and improves problem resolution;

- b. Reduced Costs
 - An HCI solution reduces capital and operational expenses by relying on common server hardware connected as one platform rather than specialized computer hardware and storage area networks (SANs).
- c. Improved Resiliency
 - Due to the ease of scalability and replication features, the platform would be better suited to potential disaster recovery requirements.

3. VOR # 'OSS Tender 6065'

- 3.1 The Vendor of Record (VOR) Arrangement # 'OSS Tender 6065' for X86-64 Servers Products and Services is the result of a competitive bidding process conducted by Ontario Treasury Board Secretariat in July 2017. The procurement method was RFP with evaluation of proposals based on rated criteria.
- 3.2 The RFP and the resulted VOR consist of 5 streams (categories), with specific and independent evaluation criteria per stream.
- 3.3 The initial term for each stream of the VOR Arrangement is 3 years with an option to extend for two 1-year terms.
- 3.4 More than one vendor (two to three vendors) were deemed qualified by the Province for each stream of the VOR.
- 3.5 For stream 1 of the VOR (x86-64 Servers), three vendors were qualified by the Province, based on the following evaluation categories and weighting:
 - a. Technical Response Evaluation - 50% (minimum threshold of 60%)
 - b. Proof of proposal demo/usability assessment - 10%
 - c. Price - 40%

The Province has advised the Region's Finance Department (Purchasing section) that Softchoice LP was the highest-scored compliant proponent for this stream.

- 3.6 For stream 5 of the VOR (HCI), two vendors were qualified by the Province, based on the similar evaluation categories and weighting to those for stream 1. The Province has advised the Region's Finance Department (Purchasing section) that CompuCom Canada Co. was the highest-scored compliant proponent for this stream.

- 3.7 The Hyper-Converged Infrastructure (HCI) solution which the Region currently has requirements for, are available in two separate streams of the VOR:
- a. Stream 1 of the VOR for x86-64 Servers (small/medium/large blade and rack), related Components and Services, with start date of January 7, 2018, initial term of 3 years (until January 7, 2021), and two optional one-year extensions (until January 7, 2023).
 - b. Stream 5 of the VOR for Hyper-Converged Infrastructure Appliance Solution and related Services, with start date of June 10, 2018, initial term of 3 years (until June 10, 2021), and two optional one-year extensions (until June 10, 2023.)
- 3.8 Per guidelines published by the Province, the Non-OPS Clients, including Provincially Funded Organizations (PFOs) such as municipalities who are interested in using the VOR, must negotiate and establish their own agreement (including pricing terms) with vendor(s), and in compliance with their (PFO's) procurement rules and processes.
- 3.9 CS-IT has reviewed the scope of work of the Province's RFP for both streams 1 (the x86-64 Servers) and 5 (HCI Appliance Solution) of the VOR and concluded that they conform to the Region's requirements for an HCI solution. CS-IT has also confirmed that although the current SKU numbers and configurations might be different, the storage and compute specifications and standards of the VOR streams meet the Region's requirements.
- 3.10 The Vendor of Record (VOR) Arrangement # 'OSS Tender 6065', understanding technological change, allows new technology to be incorporated as it aligns with the scope of each stream. The Region's requirements with respect to an HCI solution were not met until new technology was available through the VOR, which delayed recommendation to Regional Council until this time.

4. Financial Implications

- 4.1 Section 13.1 of the Region's Purchasing By-Law 68-2000 (as amended) permits the Region to enter into arrangements with area municipalities, local boards and other public bodies or authorities on a co-operative or joint basis where there are economic advantages in so doing, provided that under such arrangements:
- a. The method of acquisition used is a competitive method similar to that described in the Region's Purchasing By-law; and
 - b. The awarding and reporting of such contracts is in accordance with the requirements of the Region's Purchasing By-law.

The Vendor of Record (VOR) Arrangement # 'OSS Tender 6065' meets the above conditions.

- 4.2 In compliance with the Region's Purchasing By-Law governing the award for Request for Proposals:
- a. Softchoice LP, the top ranked proponent for the x86-64 Servers stream of the VOR, is recommended to be awarded the Contract for the Region's requirements.
 - b. CompuCom Canada Co., the top-ranked proponent for the Hyper-Converged Infrastructure Appliance Solution stream of the VOR, is recommended to be awarded the Contract for the Region's requirements.
- 4.3 Funding for the estimated implementation cost for the Region's HCI Appliance Solution of \$300,000 was included within the approved 2019 capital budget (CS-IT Data & Infrastructure Protection Budget). Funding for ongoing maintenance costs of \$30,000 per annum would be an ongoing requirement during the full term of the VOR Arrangement (inclusive of the optional extension terms) and subject to approval of future Business Plans and Budgets.

5. Conclusion

- 5.1 The Vendor of Record (VOR) Arrangement # 'OSS Tender 6065', established by the Province of Ontario following issuance of Request for Bid #6065 by Ontario Treasury Board Secretariat, be used by the Region for provision and implementation of a Hyper-Converged Infrastructure (HCI) solution.
- 5.2 Approval is sought to enter into separate agreements with Softchoice LP and CompuCom Canada Co. for provision of the Hyper-Converged Infrastructure (HCI) solution at the total estimated cost of \$300,000 and an estimated annual support and maintenance cost of \$30,000, with the terms and conditions satisfactory to the Corporate Services – Legal Services and Finance (Purchasing and Risk Management sections).
- 5.3 Commissioner of Finance be authorized to sign all related agreements and amendments to the agreement and issue purchase orders for the Region's requirements.

This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with the recommendations presented.

Respectfully submitted,

Original signed by

D. Beaton, BCom, M.P.A.
Commissioner of Corporate Services

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Chief Administrative Officer
Report: #2020-A-8
Date: March 10, 2020

Subject:

Expanding the Region's Tree Canopy on Private Residential Properties

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

- A. Regional Council approve a 2020 allocation of \$80,000 to Local Enhancement and Appreciation of Forests (LEAF) from the 2020 CAO's Office operating budget.
 - B. Regional Council direct the Manager of Sustainability to enter into a program agreement with LEAF and participating local area municipalities to deliver the backyard tree planting program in 2020, with terms and conditions satisfactory to the Office of the CAO and in a form satisfactory to Legal Services and Risk Management.
-

Report:

1. Purpose

This report seeks Regional Council approval to provide \$80,000 to Local Enhancement and Appreciation of Forests (LEAF), a non-profit organization that delivers private property tree planting programs in partnership with municipalities across the GTA. This contribution will support expansion of the Region's tree canopy on private residential land as part of the Region's response to the climate emergency declaration made on January 29th, 2020. The 2020 Council approved operating budget for the CAO's Sustainability office includes the funding.

The \$80,000 allocation in 2020 will accelerate the expansion of the LEAF Backyard Tree Planting Program from the Town of Ajax (where the program has been operating since 2015) to include Pickering, Whitby, Oshawa and Scugog. Each of the five participating local area municipalities have Council-approved 2020 budget allocations to co-fund the

program expansion, contingent on the approval of the Regional financial contribution recommended in this report.

2. Background

Trees planted in urban environments offer numerous environmental, economic and social benefits to residents such as improved air and water quality, increased carbon sequestration, energy savings, habitat enhancement, noise reduction and increased property values. In the context of Regional Council's climate emergency declaration, urban trees provide important climate resilience benefits such as a reduction in urban stormwater run-off and flooding risk, and urban heat island attenuation.

Most Canadian and US municipalities that have created urban forest management plans have set tree canopy cover targets at 35 to 40 per cent. For example, the City of Toronto has established a canopy cover target of 40 per cent by 2050, and York Region has established targets of 35 per cent by 2031, and 40 per cent by 2051. Like other municipalities, the canopy cover in Durham Region's urban areas (particularly in the heavily populated southern municipalities) falls short of this 35-40 per cent target (e.g. the Town of Ajax's urban forest cover is estimated at approximately 20-25%). While Durham Region municipalities recognize the importance of urban trees, as evidenced by the development of urban forest management plans at the local level, trees planted in urban areas by municipalities (e.g. street trees) are costly to maintain and face high mortality rates. Municipalities across the Greater Toronto Area have identified private, residential property as presenting the best opportunities for planting new trees and shrubs to enhance the urban forest.

LEAF's Backyard Tree Planting Program offers residents of Durham a convenient, accessible and affordable way to obtain new trees and shrubs for their yard. Through the LEAF Program, homeowners purchase native species which will help to both beautify their yards and enhance the Region's overall urban canopy coverage. The cost to program participants is subsidized to reduce barriers to participation. Multi-unit residential buildings and businesses with adequate planting space may also participate in the program, although the vast majority of participants tend to be homeowners. Since the goal of the program is to ensure the right tree gets planted in the right place, LEAF considers site conditions such as light and soil, to help ensure the establishment of large-growing native trees whose dense canopies can provide maximum environmental benefits. LEAF strives to offer as much locally sourced seed material as possible, including from providers in Durham Region. Doing so enables LEAF to provide participants with genetically appropriate stock, which makes for more resilient trees able to withstand the harsh conditions of urban environments.

The goals of the Backyard Tree Planting Program are achieved through the following steps:

1. Online pre-visit questionnaire to ensure that the property owner qualifies for the program, has adequate space to plant, has realistic expectations and is committed to long term tree care.

2. On-site consultation with property owner and LEAF arborist to determine appropriate species and planting locations.
3. Planting by LEAF professionals in the spring or fall.
4. Follow-up questionnaire to assess participant satisfaction and/or follow-up visit to assess tree health.

In addition to tree planting, the program also aims to inform and educate property owners about how to properly care for their trees and what they can do to respond to threats such as emerald ash borer and storm damage. LEAF provides residents with tips and resources for proper tree care and maintenance for newly planted trees through a seasonal electronic newsletter. They also offer tree care advice to past participants by phone and email.

This program fills a gap in tree planting programs across the Region in that it focuses on planting in residential backyards, which is typically a hard-to-reach segment of the market. As compared to street trees, or trees planted on public lands, backyard trees provide the greatest benefit to homeowners in terms of flood risk reduction, urban heat island attenuation, and reduced home energy costs. For example, over its lifetime a large growing residential deciduous tree is estimated to sequester more than 6,000 kg of CO², mitigate more than 600,000 litres of stormwater run-off, and remove 85 kg of air pollution.

As the rate of ash tree loss due to the Emerald Ash Borer continues to rise, this backyard residential tree planting program will help homeowners replace privately owned ash trees at a reasonable cost. Property owners are provided with coaching on essential tree care and maintenance to help ensure the long-term health and performance of their tree.

LEAF Deliverables in 2020 include:

- Develop communications plans collaboratively with the Region and participating municipalities in order to promote the program widely.
- Conduct consultations with property owners to help them select “the right tree for the right place”.
- Provide education on tree care best practices and benefits of the urban forest.
- Plant at least 160 native trees on private property across the Region.
- Prepare an annual report for Durham Region and local area municipal partners detailing outcomes and participant satisfaction.

3. Financial impact

The 2020 Council approved operating budget for the CAO’s Office sustainability initiatives includes funding for the development of partnerships to support implementation of climate change programs. The proposed strategy outlined in this report dedicates \$80,000 to LEAF for the delivery of a subsidized Backyard Tree Planting Program and public outreach in 2020. LEAF has been working with the City of Ajax since 2015, and with other municipalities across the GTA since the early 2000’s to meet urban forestry objectives including increasing tree canopy cover. LEAF is uniquely positioned to leverage municipal

contributions across Durham Region in support of these new programs and has a demonstrated track-record of meeting private property tree planting objectives.

The \$80,000 contribution from the Region is leveraging additional funding from local area municipalities, and property owners, for a total 2020 program budget of more than \$170,000. Contributions from the Region and participating municipalities will be recognized on all promotional materials for the program.

Table 1 Total LEAF Program Contributions

Partner	Funding
Pickering	\$15,000
Whitby	\$15,000
Oshawa	\$15,000
Ajax	\$11,000
Scugog	\$3000
Durham Region	\$80,000
Private property owners (\$220 per tree * ~160 trees)	\$35,000
Total	\$174,000

The actual total program value and the number of trees planted will depend on actual program participation levels. As part of the 2021 budget process, this funding allocation will be reviewed as part of a detailed program evaluation to determine the merit of continued program delivery and future contributions by the Region and local area municipal partners.

4. Conclusion

This program provides an early opportunity to provide a resident-facing response to the climate change emergency declaration made at the January 29 Regional Council meeting. The program leverages funding from local area municipalities, and property owners to provide a cost-effective approach to increasing urban forest cover in Durham Region.

Attachment #1: Draft program agreement, reviewed and approved by legal and risk management

Prepared by: Ian McVey, Manager of Sustainability, at 905-668-7711, extension 3803

Respectfully submitted,

Original signed by:

Sandra Austin
Director, Strategic Initiatives

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer

LEAF BACKYARD TREE PLANTING PROGRAM AGREEMENT

effective this XX day of XXX, 2020

B E T W E E N:

Local Enhancement and Appreciation of Forests (LEAF)

LEAF is a corporation without share capital, incorporated under the Ontario *Corporations Act*

AND

The Regional Municipality of Durham

The Corporation of the City of Oshawa

The Corporation of the City of Pickering

The Town of Whitby

The Township of Scugog

(with the foregoing collectively referred to as the **Municipal Partners**)

RECITALS

- A. WHEREAS the Municipal Partners each have a mandate which includes the stewardship and environmental enhancement on private land through tree planting;
- B. AND WHEREAS the Municipal Partners wish to work cooperatively with LEAF in programs which assist in the fulfillment of their mandates;
- C. AND WHEREAS the parties have a mutual interest in private land stewardship and tree planting;
- D. AND WHEREAS LEAF offers a program which supports the various climate change and urban forest strategies of the Municipal Partners.
- E. AND WHEREAS the Municipal Partners approved a grant totaling \$128,000 so LEAF can offer the Backyard Tree Planting Program (the **Program**) to residents in an effort to increase urban tree planting.

NOW THEREFORE, for good consideration as provided for in this Agreement, the parties hereby agree as follows:

Section 1: THE VISION

- 1a) LEAF and Municipal Partners agree to cooperate in the implementation of the Program, and to undertake the following activities;
 - 1.I. To promote the Program to property owners through municipal and regional channels, as well as other channels;
 - 1.II. To raise awareness of the environmental, social and economic benefits of the urban forest and canopy cover; and
 - 1.III. To facilitate the planting of trees and shrubs on private property.

Section 2: RESPECTIVE ROLES OF LEAF AND PARTNERS

- 2a) LEAF covenants and agrees to do the following:
 - 1.I. Recognize the Municipal Partners' support of the Program through any promotional material produced by LEAF as approved by the respective Municipal Partner;
 - 1.II. Use the funding provided by the Municipal Partners to support the Program's activities within the boundaries of the Regional Municipality of Durham during the term of this Agreement;
 - 1.III. Administer the Program by reviewing candidate properties for eligibility, obtaining waivers of liability from each private property owner where planting will take place in order to protect LEAF and the Municipal Partners and by arranging and implementing planting on private property accordingly;
 - 1.IV. Sell trees and shrubs, as well as related consultation and delivery/planting services through the Program to Durham Region property owners at a subsidized price;
 - 1.V. Monitor the success of the Program and implement contingencies and/or modify plans accordingly;
 - 1.VI. Track and report to the Municipal Partners on the number of Program participants and trees/shrubs planted.
- 2b) The Municipal Partners covenant and agree to do the following:
 - 1.I. To support the Program by providing the financial contributions set out in this Agreement;
 - 1.II. To promote the Program through all possible channels, including municipal, regional and external channels; and
 - 1.III. To offer Program feedback and work collaboratively with LEAF to ensure Program success.

Section 3: 2020 DELIVERABLES

- 3a) LEAF agrees to achieve, at a minimum, the following deliverables:
 - I. plant at least 128 trees (3 shrubs equivalent to 1 tree) according to the distribution set out in Section 5.a;
 - II. reach at least 500 residents through outreach/educational activities;
 - III. provide recognition for the Municipal Partners' support on LEAF's website, print materials and through social media as approved by the respective Municipal Partner; and

- IV. provide promotional content for the Municipal Partners' use as approved by the respective Municipal Partner; this will include website content, brochures, posters, advertisements and social media content.

Section 4: ADMINISTRATION AND REPORTING

- 4a) LEAF and each Municipal Partner shall each appoint one representative who shall be responsible for the management and administration of the terms of this Agreement.
- 4b) The parties shall meet at least once during the term of this Agreement for the purpose of discussing the status of the Program.
- 4c) LEAF covenants and agrees to provide a Summary Report to the Municipal Partners by December 15, 2020 which will include the following information:
 - 1i. List of addresses where trees/shrubs have been planted including numbers and species (conditional on property owner permission);
 - 1ii. Summary of total annual plantings including total number of trees and shrubs planted; and
 - 1iii. Summary of promotional/outreach activities
- 4c) The parties agree to communicate regularly and provide updates on the status of the Program from time to time, as each party may require.

Section 5: FUNDING AND TARGETS

- 5a) The Municipal Partners covenant and agree to the following payment schedule and LEAF agrees to the following tree targets:

Partner	Funding	Pay to	Payment Deadline	Tree Target
Pickering	\$15,000	Durham Region		40
Whitby	\$15,000	Durham Region		40
Oshawa	\$15,000	Durham Region		40
Scugog	\$3000	Durham Region		8
Durham Region	\$80,000	LEAF		
				Total Trees 128

- 5b) LEAF covenants and agrees to administer the \$128,000 provided by the Municipal Partners in support of the Program (the **Grant**) as follows:
 - 1i. 10% of funds allocated to Program administration
 - 1ii. 90% of funds allocated for the cost of promoting and delivering the Program and related education/communication activities

Section 6: TERM OF AGREEMENT

- 6a) This Agreement shall commence on the date set out above and terminate on February 28, 2021. The parties may extend the term of the Agreement at any time, by mutual agreement.

Section 7: OWNERSHIP AND MAINTENANCE OF TREES

7a) The trees planted in connection with this Program are owned by the private property owner. The Municipal Partners do not have any ownership or jurisdiction over the trees at any time.

7b) Any maintenance of the trees is the responsibility of the private property owner.

Section 8: INDEMNITY AND INSURANCE

8a) LEAF shall defend, indemnify and save harmless the Municipal Partners and its elected officials, officers, employees and agents from and against all claims of any nature, actions, causes of action, losses, expenses, fines, costs, interest or damages of every nature and kind whatsoever, arising out of or attributable to the negligent acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of LEAF, its directors, officers, employees, agents, contractors and subcontractors, or any of them, in connection with or in any way related to the delivery or performance of this Agreement. This indemnity shall be in addition to and not in lieu of any insurance to be provided by the LEAF in accordance with this Agreement, and shall survive this Agreement.

8b) LEAF shall continuously maintain throughout the term of the Agreement and pay for Commercial General Liability insurance including personal injury, broad form contractual liability, owners and contractors protective, completed operations, and non-owned automotive liability in an amount of not less than five million dollars (\$5,000,000.00) applying to all contracts for claims arising out of one occurrence. The Commercial General Liability policy shall include the Municipal Partners as additional insureds in respect of all operations performed by or on behalf of LEAF in relation to the Agreement requirements and be endorsed to provide the owner with not less than thirty (30) days written notice in advance of any cancellation, change or amendment restricting coverage. LEAF shall provide an updated Certificate of Insurance on the Region's standard form, or on a form acceptable to the Region of Durham.

Section 7: DEFAULT, TERMINATION AND REPAYMENT:

- 7a) If any of the following events occur, the Regional Municipality of Durham shall be entitled to immediately terminate this Agreement upon written notice to LEAF, and request the repayment of unspent funds associated with the Grant:
- I. LEAF breaches any of the terms and conditions of this Agreement

- II. LEAF ceases operating, ceases to operate as a non-profit organization, winds up or dissolves, commences or has commenced against it any proceedings in bankruptcy, or is adjudged a bankrupt;
- III. LEAF used the Grant for purposes not approved by this Agreement

Section 8: GENERAL

- 8a) This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- 8b) Any notice, demand, acceptance or require required to be given hereunder in writing, shall be deemed to be given if either personally delivered or mailed by registered mail, postage prepaid, (at any time other than during a general discontinuance of postal services due to a strike, lockout, or otherwise) and addressed to the parties as follows, or such change of address as the parties have by written notification forwarded to each other:

<p>LEAF Janet McKay, Executive Director Artscape Wychwood Barns 601 Christie St, Suite 253 Toronto, ON M6G 4C7 416-413-9244 janet@yourleaf.org</p>
<p>The Regional Municipality of Durham Ian McVey, Manager of Sustainability Office of the Regional Chair & CAO Regional Municipality of Durham 605 Rossland Rd. E. Whitby, ON L1N 6A3 905.668.7711 ext. 3803 Ian.McVey@durham.ca</p>
<p>The Corporation of the City of Oshawa</p>
<p>The Corporation of the City of Pickering</p>
<p>The Town of Whitby</p>
<p>The Township of Scugog</p>

8c) The duly authorized representatives of LEAF and the Municipal Partners, having authority to bind their respective organizations and having read and understood the terms and conditions of this Agreement, agree to the terms and conditions and execute this Agreement.

LOCAL ENHANCEMENT AND APPRECIATION OF FORESTS

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

THE REGIONAL MUNICIPALITY OF DURHAM

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

THE CORPORATION OF THE CITY OF OSHAWA

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

THE CORPORATION OF THE CITY OF PICKERING

Per: _____

Name:
Title:

Per: _____

Name:
Title:

I/We have authority to bind the Corporation

THE TOWN OF WHITBY

Per: _____

Name:
Title:

Per: _____

Name:
Title:

I/We have authority to bind the Corporation

THE TOWNSHIP OF SCUGOG

Per: _____

Name:
Title:

Per: _____

Name:
Title:

I/We have authority to bind the Corporation



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Chief Administrative Officer
Report: #2020-A-9
Date: March 10, 2020

Subject:

Revised Terms of Reference for the Durham Region Roundtable on Climate Change

Recommendation:

That the Finance and Administration Committee recommends:

That the revised Terms of Reference for the Durham Region Roundtable on Climate Change, as detailed in Attachment 1, be approved and forwarded to Regional Council for approval.

Report:

1. Purpose

1.1 This report is to seek approval from the Finance and Administration Committee for revisions arising from the annual review of the Terms of Reference (ToR) for the Durham Region Roundtable on Climate Change (DRRCC). Upon approval, the ToR is to be forwarded to Regional Council for their approval.

2. Background

2.1 The DRRCC was formed in 2015, as an ad hoc committee, to work with Regional staff and relevant partners to ensure that Durham Region successfully implements its climate change plans in a manner consistent with the Paris Agreement and Durham's aim to demonstrate leadership in addressing climate change.

2.2 The scope of activities that the DRRCC may undertake includes, but is not limited to:

- provide advice, feedback and guidance to Regional staff and Council on implementation of Durham's community-facing climate change plans, including the Durham Community Climate Adaptation Plan and the Durham

Community Energy Plan;

- support and enable successful implementation of Durham Region's climate change plans by engaging and influencing relevant stakeholders and networks;
- provide accurate and transparent reports to Regional Council on progress with implementation of Durham Region's climate change plans; and
- provide a forum for residents to learn more about what the Region and its partners are doing to address climate change.

2.3 At its meeting on January 17th, 2020, the DRRCC reviewed and approved the revisions to their Terms of Reference. The Committee discussed increasing the maximum membership by one to enable school board participation; removing the stand alone DRRCC Workplan; and returning to a bi-monthly meeting schedule. It was the consensus of the Committee to remain at a monthly meeting schedule. Further discussion ensued regarding membership composition; information sharing; establishing a subcommittee; and importance of inviting Members of Parliament and Members of Provincial Parliament to the DRRCC meetings.

3. Attachment

Attachment #1: Durham Region Roundtable on Climate Change Terms of Reference

Respectfully submitted,

Original signed by:

Sandra Austin
Director of Strategic Initiatives

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer

Durham Region Roundtable on Climate Change Terms of Reference

1. Context and Introduction

- 1.1. In 2009, the Regional Council of Durham established the Durham Region Roundtable on Climate Change (DRRCC) to lead the development of the Region's first ever climate change plan, released in 2012 and titled 'From Vision to Action: Region of Durham Community Climate Change Local Action Plan', and to position the Region of Durham as a leader in addressing climate change issues.
- 1.2. In 2016, the Paris Agreement on climate change, which was signed by 195 countries including Canada, sets out that all Governments, citizens, businesses and other organizations will work together to limit global average temperature increases to 'well below 2°C', aiming for 1.5°C, relative to pre-industrial temperatures.
- 1.3. DRRCC has since overseen the development of a Community Climate Adaptation Plan (Towards Resilience, 2016) and a Community Energy Plan (Seizing the Opportunity, 2019) to more clearly articulate how Durham Region and its local area municipal partners will collaborate on the transition to a low carbon, climate resilient Region. The latter plan is based upon a low carbon pathway, which charts a trajectory towards achieving an 80 per cent reduction in greenhouse gas emissions by 2050.

2. Goal

- 2.1. To work with Regional staff, and other relevant partners to ensure that Durham Region successfully implements its climate change plans in a manner consistent with the Paris agreement and Durham's aim to demonstrate leadership in addressing climate change. Furthermore, to ensure that implementation plans are built on the views of Regional stakeholders and citizens and reflect the latest science.

3. Mandate

- 3.1. The Durham Region Roundtable on Climate Change (DRRCC) will act in an advisory role to Regional Council through the Finance and Administration Committee on issues related to climate change.

4. Scope of Activities

4.1. The scope of activities that the DRRCC may undertake include, but are not limited to:

- provide advice, feedback and guidance to Regional staff and Council on implementation of Durham’s community-facing climate change plans, including the Durham Community Climate Adaptation Plan and the Durham Community Energy Plan;
- support and enable successful implementation of Durham Region’s climate change plans by engaging and influencing relevant stakeholders and networks;
- provide accurate and transparent reports to Regional Council on progress with implementation of Durham Region’s climate change plans; and
- provide a forum for residents to learn more about what the Region and its partners are doing to address climate change.

5. Composition

5.1. The DRRCC will be composed of between 15 to 20 members as follows:

- Five Regional Councillors – the Regional Chair, ex-officio, and one Councillor representing each of the four Regional Standing Committees;
- Eight to ten representatives from industry, association and public institutions such as:
 - Public agencies focused on energy, housing, transportation and conservation (e.g. local electricity distribution companies, Durham Region Non-Profit Housing Corporation, and/or Conservation Authorities)
 - Academia (e.g. Ontario Tech University, Durham College, Trent University, and/or local school boards)
 - Professional and industry associations (e.g. Durham Labour Council, BILD Durham Chapter, etc.)
 - Community and socially-focused organizations (e.g. Durham Community Foundation, Community Development Council Durham, etc.)
- 1 to 6 citizen at-large representatives with specialized expertise, including youth representatives (aged 16-25); and
- The Chief Administrative Officer (CAO) of the Region.

5.2. Members of Parliament and Members of Provincial Parliament representing

Durham Region shall also be invited to participate in the DRRCC meetings as honorary members in a non-voting capacity.

- 5.3. The term of membership shall correspond with the term of Regional Council. If a member chooses to resign the Region will seek a replacement in accordance with Section 5. At the discretion of the DRRCC, non-attendance of three consecutive meetings will be sufficient grounds for replacement.

6. Membership Selection

- 6.1. For the selection of members representing industry, association and/or public institutions, the CAO's Office shall contact community and industry leaders and invite them to volunteer for the DRRCC. Interested individuals will be required to provide a brief statement of interest. Regional staff will nominate the members. All members of the DRRCC will be appointed by the Finance and Administration Committee and Council.
- 6.2. For the selection of citizen at large members, nominations will be solicited through the Region's website, social media, and other communications channels. Interested individuals will be required to provide a brief resume and statement of interest. Regional staff will nominate a sufficient number of citizen at large members in order fill DRRCC membership. All members of the DRRCC will be appointed by the Finance and Administration Committee and Council.
- 6.3. In nominating citizen members to the DRRCC, regard shall be given to the aim of achieving a diversity in age, gender and ethnicity. Regard shall also be given to previous community and/or professional involvement, knowledge of climate change issues, residency within the Region and availability to attend meetings.
- 6.4. Regional Council shall appoint a representative and an alternate to the DRRCC from each of the four Regional Standing Committees.
- 6.5. Regional Council shall appoint the Chief Administrative Officer (CAO) and a Regional staff member as an alternate for the CAO to the DRRCC.
- 6.6. In the case of a citizen member vacancy, the approach described in Section 5.1 will generally be followed.

7. Officers

- 7.1. A chair and a vice-chair will be elected by the DRRCC at the beginning of each

term of Council. The Region's CAO shall chair the inaugural DRRCC meeting of each term.

8. Support Services

- 8.1. A staff liaison from the Office of the CAO shall be appointed to support the activities of the DRRCC. The staff liaison will provide administrative, procedural and technical support to the DRRCC. Day-to-day activities of the staff liaison will be supported by the Office of the CAO.
- 8.2. A Regional Staff Working Group, consisting of appropriate staff from all Regional departments shall be established to develop a Corporate Climate Change Master Plan which would detail actions that the Region as a corporation and as a community service provider can take to address climate change mitigation and adaptation measures. The Regional Staff Working Group will also provide technical advice and expertise to the DRRCC and the staff liaison as needed.
- 8.3. The staff liaison shall keep the Region's Department Heads apprised of the activities of the DRRCC and the Regional Staff Working Group.
- 8.4. The Legislative Services Division of the Corporate Services Department will provide secretarial and other support services. Regional Council will provide a budget to cover the operational expenses of the DRRCC, and this budget will be administered by the Office of the CAO.
- 8.5. The DRRCC may invite individuals with specialized expertise to attend meetings on an as needed basis.

9. Meetings

- 9.1. The DRRCC will establish a meeting schedule at its inaugural meeting, taking into account the business needs and schedule of Regional Committees/Council. Special meetings may be held at the call of the Chair.
- 9.2. Unless otherwise determined, all meetings will be open to the public. As an ad hoc Committee, the DRRCC is subject to the Regional Procedural By-law, unless otherwise specified in the Terms of Reference.
- 9.3. A quorum for DRRCC meetings shall be a majority of sitting members.
- 9.4. DRRCC meetings will be held monthly on the third Friday of the month. Meetings will not be held in July or August.

10. Minutes and Agendas

10.1. The minutes of each DRRCC meeting will be approved at the following meeting. The unapproved minutes will be circulated to members of Council as part of the Council Information Package prepared by the Clerk. The DRRCC agendas will be prepared by the Staff Liaison and/or the Legislative Services Division, along with the DRRCC Chair or Vice Chair, with input from other DRRCC members.

11. Delegations and Presentations at Committee Meetings

11.1. Any person(s) wishing to appear before the DRRCC as a delegation must submit a request to delegations@durham.ca, advising of the topic or item to which they wish to speak, which will then be forwarded to the staff liaison.. All requests for delegations must be received at least one week prior to the meeting to ensure the inclusion in the agenda. Any person wishing to address the DRRCC as a delegate, who has not previously arranged to do so, may be granted permission to do so only by Committee resolution. Five minutes is allotted for a delegation to speak.

11.2. When the DRRCC has requested a presentation on a particular topic, the time frame allotted will depend on the subject under discussion.

12. Committee Resolutions

12.1. The DRRCC will seek to achieve consensus on decisions. Recommendations are “carried” if supported by a majority. Only resolutions as they appear in the adopted Minutes may be considered as officially representing the position of the DRRCC.



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2020-F-05
Date: March 10, 2020

Subject:

Write-off of Arrears of Former Tenants of the Durham Regional Local Housing Corporation for the Year Ended December 31, 2019

Recommendation:

That the Finance and Administration Committee:

Approve the write-off totaling \$40,788.75 of outstanding arrears of twenty-eight (28) former tenants of the Durham Regional Local Housing Corporation, whose amounts owing are less than \$10,000 each.

Report:

1. Purpose

1.1 The purpose of this report is to obtain approval for the write-off of \$40,788.75 in former tenant arrears of the Durham Regional Local Housing Corporation (DRLHC) for the 2019 fiscal year.

2. Background

2.1 Regional policy for cancellation of accounts requires the approval of the Finance and Administration Committee for accounts less than \$10,000. For accounts greater than \$10,000, approval of Regional Council is required, provided that all reasonable efforts have been made to collect the accounts or Legal Services is satisfied that the account is not legally enforceable.

2.2 Annually, outstanding accounts of former tenants who no longer occupy units at DRLHC sites and who have balances owing are recommended for write-off. The balances owing are a combination of rent arrears, charges for miscellaneous items (e.g. NSF payment charges), charges for repair of damages to the unit and additional housing charges owing due to misrepresentation of income or other circumstances.

3. Write-off of Arrears for 2019

3.1 This year, the total outstanding balance being recommended for write-off is \$40,788.75 representing twenty-eight (28) former tenant accounts. As all amounts owing are less than the \$10,000 threshold, approval by the Finance and Administration Committee for the write-off is being sought. All tenants vacated the DRLHC units between January 1, 2019 and December 31, 2019.

3.2 It is important to note that collection activity on the accounts will continue to be pursued despite being written-off. In accordance with the local policy, Durham Access to Social Housing (DASH) is promptly notified when a household with arrears, charges for damages to their unit or misrepresentation of income moves out. The amount of arrears is maintained on the DASH database and should the former tenant want to access the wait list in the future, a repayment agreement between the housing provider and the household is required. This is a Regional requirement that applies to all social housing providers in Durham. Former tenant arrears are also uploaded to the Province-wide arrears database.

3.3 The write-off recommended for 2019 continues to represent a very small portion of rental revenues, as reflected in the table below:

Summary of Write-offs for Durham Regional Local Housing Corporation 2013 to 2019

<u>Year End</u>	<u>Rental Revenue</u>	<u>Write-off</u>	<u>Recoveries of Previous Write-offs</u>	<u>Net Write-off as % of Rental Revenues</u>
	\$	\$	\$	%
2013	6,591,574	43,831	7,883	0.5
2014	6,665,408	37,211	7,792	0.4
2015	6,704,793	36,629	9,389	0.4
2016	6,820,371	28,026	6,326	0.3
2017	7,045,457	41,983	5,028	0.5
2018	7,143,168	23,877	4,839	0.3
2019	7,189,739	40,789	2,499	0.5

4. Conclusion

- 4.1 It is requested that the Finance and Administration Committee approve the write-off of accounts for twenty-eight (28) former tenants, totaling \$40,788.75.

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2020-F-06
Date: March 10, 2020

Subject:

The Remuneration and Expenses in 2019 of Members of Regional Council and Regional Council Appointees to Local Boards, as Required by Section 284(1) of the Municipal Act, 2001, S.O. 2001, c. 25

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That this report be received for information.

Report:

1. Purpose

- 1.1 As required by Section 284(1) of the Municipal Act, 2001, I have prepared a statement of the remuneration and expenses that were paid in 2019 to Regional Councillors and Regional Council Appointees (see attached Schedules 1 to 3).
- 1.2 The information concerning Regional Council appointees was obtained directly from the Local Boards, except for the following whose accounting records are maintained by the Regional Finance Department:

Development Charges Complaint Committee, Durham Accessibility Advisory Committee, Durham Active Transportation Committee, Durham Advisory Committee on Homelessness, Durham Agricultural Advisory Committee, Durham Environmental Advisory Committee, Durham Nuclear Health Committee, Durham Regional Local Housing Corporation, Durham Region Community Safety and Well-Being Plan Steering Committee, Durham Region Child & Youth Advocate, Durham Region Police Services Board, Durham Region Roundtable on Climate Change, Durham Region Transit Commission, Durham Vision Zero Task Force, Energy from Waste – Waste Management Advisory Committee, Land Division Committee, Local Diversity and Immigration Partnership Council, Strategic Plan Development Task Force, Transit Advisory Committee, and the 9-1-1 Management Board.

2. Attachments

Schedule #1: Regional Council Members 2019 Remuneration and Expenses

Schedule #2: Regional Council Members 2019 Compensation Paid in Lieu of Pension Plan and Severance

Schedule #3: Regional Council Appointees to Local Boards 2019 Remuneration and Expenses

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine Baxter-Trahair
Chief Administrative Officer

SCHEDULE 1

REGIONAL COUNCIL MEMBERS
2019 REMUNERATION AND EXPENSES

	<u>REMUNERATION</u> \$	<u>MILEAGE</u> \$	<u>CONFERENCES, CONVENTIONS & MEETINGS</u> \$	<u>TOTAL</u> \$
<u>REGIONAL COUNCIL MEMBERS</u>				
Anderson, G. (3)	56,781.67	1,177.97	1,999.33	59,958.97
Ashe, K.	56,781.67	676.89	-	57,458.56
Barton, D. (3)	56,781.67	1,287.72	3,287.85	61,357.24
Bath-Hadden, D.	56,781.67	2,238.32	3,518.19	62,538.18
Carter, D.	56,781.67	407.99	909.65	58,099.31
Chapman, R. (4)	62,760.89	285.32	2,261.38	65,307.59
Collier, S.	56,781.67	304.06	4,263.23	61,348.96
Crawford, M.	56,781.67	290.72	1,868.33	58,940.72
Dies, J.	56,781.67	530.84	2,847.61	60,160.12
Drew, R.	56,781.67	1,137.01	2,441.00	60,359.68
Foster, A. (3) (4)	62,760.89	-	1,985.03	64,745.92
Highet, G. (3)	56,781.67	1,135.30	-	57,916.97
Kerr, R.	56,781.67	408.51	-	57,190.18
Leahy, C. (3)	56,781.67	-	4,199.49	60,981.16
Lee, S.	56,781.67	302.26	2,727.42	59,811.35
Marimpietri, T.	56,781.67	164.26	79.10	57,025.03
McLean, W.	56,781.67	545.00	-	57,326.67
Mitchell, D. (3) (4)	62,760.89	-	-	62,760.89
Mulcahy, R. (3)	56,781.67	-	2,302.92	59,084.59
Neal, Joe (3)	56,781.67	-	-	56,781.67
Neal, John	56,781.67	357.18	3,995.14	61,133.99
Nicholson, B.	56,781.67	-	-	56,781.67
Pickles, D.	56,781.67	954.19	7,195.33	64,931.19
Roy, E. (3)	56,781.67	-	1,778.94	58,560.61
Ryan, D. (4)	62,760.89	700.01	-	63,460.90
Smith, T.	56,781.67	778.36	3,858.69	61,418.72
Wotten, W.	56,781.67	1,046.88	2,023.03	59,851.58
Yamada, S. (3)	56,781.67	-	2,240.63	59,022.30
	1,613,803.64	14,728.79	55,782.29	1,684,314.72
<u>FORMER REGIONAL COUNCIL MEMBERS</u>				
Ballinger, J.	-	126.50	-	126.50
	1,613,803.64	14,855.29	55,782.29	1,684,441.22

SCHEDULE 1
(continued)

**REGIONAL COUNCIL MEMBERS
2019 REMUNERATION AND EXPENSES**

	<u>REMUNERATION</u>	<u>MILEAGE</u>	<u>CONFERENCES, MEETINGS & OTHER</u>	<u>TOTAL</u>
	\$	\$	\$	\$
<u>REGIONAL CHAIR</u>				
Henry, J.	194,064.33	11,776.72	8,674.72	214,515.77
	<u>194,064.33</u>	<u>11,776.72</u>	<u>8,674.72</u>	<u>214,515.77</u>

NOTES TO SCHEDULE OF REGIONAL COUNCIL MEMBERS 2019 REMUNERATION AND EXPENSES

- (1) Remuneration to the Regional Chair and Regional Councillors is authorized under by-laws #55-2018, #16-2007, #01-2005, #08-2004, #09-2004, #10-2004, #50-95 and #61-93.
- (2) Regional Councillors may claim reimbursement for expenses incurred for Regional business purposes in accordance with approved policies. Regional Councillors may decline reimbursement.
Mileage - based on the approved rate per kilometre.
Conferences, Meetings, etc. -
Meals & Incidentals - based on the approved rate of \$75/day without receipts; however, if the daily rate is insufficient, actual expenses with receipts are reimbursed.
Accommodation, registration, etc. - reimbursed based on actual receipts.
Term Limit maximum of \$10,000 for conferences.
- (3) Remuneration paid to Regional Councillor by Area Municipality and the Region reimburses the Area Municipality.
- (4) Denotes Regional Standing Committee Chair.

SCHEDULE 2

REGIONAL COUNCIL MEMBERS
19 COMPENSATION PAID IN LIEU OF PENSION PLAN AND SEVERANCE

<u>REGIONAL COUNCIL MEMBERS</u>	<u>IN LIEU OF PENSION</u>	<u>SEVERANCE ⁽³⁾</u>
	\$	\$
Ashe, K.	5,736.83	-
Bath-Hadden, D.	421.34	-
Carter, D.	5,110.70	-
Chapman, R.	466.34	-
Collier, S.	5,596.68	-
Crawford, M.	421.34	-
Dies, J.	421.34	-
Henry, J.	6,836.20	-
Kerr, R.	421.34	-
Lee, S.	421.34	-
Marimpietri, T.	421.34	-
McLean, W.	5,922.36	-
Neal, John	5,110.70	-
Nicholson, B.	421.34	-
Pickles, D.	5,922.36	-
Smith, T.	5,110.70	-
Wotten, W.	421.34	-
	<u>49,183.59</u>	<u>-</u>

2019 PAYMENTS TO FORMER COUNCIL MEMBERS

Aker, J.	-	21,055.39
Ballinger, J.	-	37,452.00
Drumm, J.	-	84,267.00
Grant, J.	4,658.79	18,726.00
Jordan, C.	-	70,222.50
McQuaid-England, A.	-	37,452.00
O'Connor, G.L.	-	141,475.33
Parish, S.	-	84,267.00
Pidwerbecki, N.	5,238.86	93,267.00
Woo, W.	-	37,452.00
	<u>9,897.65</u>	<u>625,636.22</u>

NOTES TO SCHEDULE OF 2019 COMPENSATION PAID IN LIEU OF PENSION PLAN AND SEVERANCE

- (1) Pursuant to by-law #08-2004, members of Regional Council who are not enrolled in the Ontario Municipal Employees Retirement System (OMERS) are entitled to compensation in lieu of a pension plan.
- (2) Pursuant to by-laws #16-2007 and #55-2018, the Regional Chair has the option to enrol in OMERS or to receive payment in Lieu of Pension.
- (3) Pursuant to by-laws #61-93, #50-95 and #9-2004, Regional Council members with more than three years service may become entitled to severance remuneration upon ceasing to be a member of Regional Council. Application for severance must be received within six months

SCHEDULE 3
(Continued)

SCHEDULE 3

REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS
2019 REMUNERATION AND EXPENSES

<u>REGIONAL COUNCIL APPOINTEES</u>	<u>REMUNERATION</u> \$	<u>MILEAGE</u> \$	<u>CONFERENCES, CONVENTIONS, MEETINGS & OTHER</u> \$	<u>TOTAL</u> \$
Central Lake Ontario				
Conservation Authority				
Barton, D.	250.00	274.92	-	524.92
Chapman, R.	2,850.00	80.04	-	2,930.04
Hooper, R.	350.00	-	-	350.00
Jones, J.	400.00	-	-	400.00
Leahy, C.	350.00	136.30	-	486.30
Lee, S.	300.00	121.80	-	421.80
Marimpietri, T.	300.00	73.78	-	373.78
McDougall, I.	350.00	270.28	-	620.28
Mitchell, D.	350.00	163.56	-	513.56
Mulcahy, R.	400.00	146.16	-	546.16
Neal, John	300.00	121.80	-	421.80
Nicholson, B.	350.00	27.84	-	377.84
Pickles, D.	300.00	172.27	-	472.27
Traill, C.	300.00	197.20	-	497.20
Yamada, S.	350.00	136.30	-	486.30
	7,500.00	1,922.25	-	9,422.25
Ganaraska Region				
Conservation Authority				
Neal, Joe	550.00	-	-	550.00
Zwart, M.	330.00	-	-	330.00
	880.00	-	-	880.00
Kawartha Region				
Conservation Authority				
Hooper, R.	-	547.80	-	547.80
Kiezebrink, D.	-	255.00	-	255.00
Ross, A.	-	-	-	-
Smith, T.	-	407.00	-	407.00
	-	1,209.80	-	1,209.80
Lake Simcoe Region				
Conservation Authority				
Barton, D.	1,000.00	259.84	-	1,259.84
Bath-Hadden, D.	600.00	417.60	-	1,017.60
Drew, R.	900.00	522.00	-	1,422.00
Molloy, P.	100.00	30.16	-	130.16
	2,600.00	1,229.60	-	3,829.60
Toronto & Region				
Conservation Authority				
Ashe, K.	606.34	315.00	-	921.34
Dies, J.	1,342.61	966.50	-	2,309.11
Highet, G.	1,385.92	1,040.00	-	2,425.92
	3,334.87	2,321.50	-	5,656.37

REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS
2019 REMUNERATION AND EXPENSES

REGIONAL COUNCIL APPOINTEES	REMUNERATION \$	MILEAGE \$	CONFERENCES, CONVENTIONS, MEETINGS & OTHER \$	TOTAL \$
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REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS
2019 REMUNERATION AND EXPENSES

REGIONAL COUNCIL APPOINTEES	REMUNERATION \$	MILEAGE \$	CONFERENCES, CONVENTIONS, MEETINGS & OTHER \$	TOTAL \$
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9-1-1 Management Board

Drew, B.	-	-	-	-
Simpson, M.	-	-	-	-
	-	-	-	-

Accessibility Advisory Committee

Atkinson, R.	-	22.50	-	22.50
Boose, C.	-	-	-	-
Campbell, D.	-	-	-	-
Galloway, K.	-	-	-	-
Hume-McKenna, D.	-	-	-	-
Mulcahy, R.	-	-	-	-
Purnwasie, R.	-	-	-	-
Roche, M.	-	-	-	-
Schisler, L.	-	-	-	-
Sones, S.	-	-	-	-
Sutherland, M.	-	-	-	-
	-	22.50	-	22.50

Durham Agricultural
Advisory Committee

Barrie, T.	-	-	-	-
Bath-Hadden, D.	-	-	-	-
Cohoon, Z.	-	417.60	-	417.60
Guthrie, N.	-	55.68	-	55.68
Highet, G.	-	-	-	-
Howsam, B.	-	106.72	-	106.72
Kemp, K.	-	669.32	-	669.32
Kennedy, K.	-	348.00	-	348.00
MacArthur, P.	-	30.62	-	30.62
O'Connor, G.L.	-	184.44	-	184.44
Puterbough, F.	-	301.60	-	301.60
Risebrough, D.	-	493.35	-	493.35
Schillings, H.	-	163.33	-	163.33
Smith, B.	-	415.74	-	415.74
Taylor, G.	-	145.35	-	145.35
Watpool, T.	-	485.58	-	485.58
Winter, B. D.	-	55.68	-	55.68
	-	3,873.01	-	3,873.01

Durham Active
Transportation Committee

Bate, J.	-	-	-	-
Gibbons, M.	-	122.03	-	122.03
Haines, K.	-	-	-	-
Heywood, A.	-	48.72	-	48.72
Kerr, R.	-	-	-	-
Kobelka, C.	-	88.39	-	88.39
Lalonde, R.	-	-	-	-
Lee, S.	-	-	-	-
Martin, J.	-	150.68	-	150.68
Smith, P.	-	121.10	-	121.10
	-	530.92	-	530.92

**SCHEDULE 3
(Continued)**

**REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS
2019 REMUNERATION AND EXPENSES**

<u>REGIONAL COUNCIL APPOINTEES</u>	<u>REMUNERATION</u> \$	<u>MILEAGE</u> \$	<u>CONFERENCES, CONVENTIONS, MEETINGS & OTHER</u> \$	<u>TOTAL</u> \$
SCHEDULE 3 (Continued)				

**REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS
2019 REMUNERATION AND EXPENSES**

<u>REGIONAL COUNCIL APPOINTEES</u>	<u>REMUNERATION</u> \$	<u>MILEAGE</u> \$	<u>CONFERENCES, CONVENTIONS, MEETINGS & OTHER</u> \$	<u>TOTAL</u> \$
Durham Environmental Advisory Committee				
Carpentier, G.	-	269.12	-	269.12
Chaudhry, O.	-	179.80	-	179.80
Clearwater, S.	-	336.40	-	336.40
Cuthbertson, J.	-	109.27	-	109.27
Dickinson, R.	-	334.08	-	334.08
Duffy, C.	-	9.05	-	9.05
Foxton, B.	-	216.34	-	216.34
Layton, G.	-	57.54	-	57.54
Lee, S.	-	-	-	-
Lui, K.	-	186.99	-	186.99
Murray, K.	-	58.12	-	58.12
Sallans, D.	-	9.28	-	9.28
Sellers, K.	-	-	-	-
Shipp, B.	-	24.82	-	24.82
Stathopoulos, D.	-	-	-	-
Thompson, M.	-	101.50	-	101.50
Upadhyay, D.	-	29.23	-	29.23
Yamada, S.	-	-	-	-
	-	1,921.54	-	1,921.54
Durham Region Non-Profit Housing Corporation				
Carter, D.	6,000.00	-	1,495.00	7,495.00
Chapman, R.	-	-	1,634.63	1,634.63
Dies, J.	-	-	-	-
Foster, A.	-	-	-	-
Henry, J.	-	-	-	-
Mitchell, D.	-	-	-	-
Ryan, D.	-	-	-	-
	6,000.00	-	3,129.63	9,129.63
Durham Region Police Services Board				
Ashe, K.	10,575.43	141.29	1,162.98	11,879.70
Drew, R.	5,979.22	127.26	7,463.54	13,570.02
Fisher, K.	10,584.75	410.64	3,827.38	14,822.77
Henry, J.	5,979.22	-	-	5,979.22
	33,118.62	679.19	12,453.90	46,251.71
Energy From Waste - Waste Management Advisory Committee				
Baszyk, W.	-	369.46	-	369.46
Bracken, W.	-	193.95	-	193.95
Burrows, A.	-	68.21	-	68.21
Elhajjeh, S.	-	120.52	-	120.52
Farrell, T.	-	401.82	-	401.82
McLean, C.	-	102.08	-	102.08
Meydam, K.	-	87.46	-	87.46
Rocoski, G.	-	-	-	-
Sukhu, H.	-	44.78	-	44.78
	-	1,388.28	-	1,388.28

**SCHEDULE 3
(Continued)**

**REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS
2019 REMUNERATION AND EXPENSES**

<u>REGIONAL COUNCIL APPOINTEES</u>	<u>REMUNERATION</u> \$	<u>MILEAGE</u> \$	<u>CONFERENCES, CONVENTIONS, MEETINGS & OTHER</u> \$	<u>TOTAL</u> \$
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SCHEDULE 3
(Continued)

**REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS
2019 REMUNERATION AND EXPENSES**

<u>REGIONAL COUNCIL APPOINTEES</u>	<u>REMUNERATION</u> \$	<u>MILEAGE</u> \$	<u>CONFERENCES, CONVENTIONS, MEETINGS & OTHER</u> \$	<u>TOTAL</u> \$
Land Division Committee				
Arnott, A.	1,674.80	49.30	14.94	1,739.04
Bavington, K.	2,089.90	606.68	51.39	2,747.97
Cooke, S.	1,337.43	52.20	-	1,389.63
Georgieff, A.	2,115.97	344.99	21.17	2,482.13
Hamilton, P.	1,469.38	118.33	-	1,587.71
Hudson, E.	2,082.70	420.34	115.77	2,618.81
Hurst, J.	1,272.80	-	-	1,272.80
Kydd, G.	617.25	227.61	47.00	891.86
Malone, R.	617.25	418.00	34.12	1,069.37
Marquis, D.	734.96	236.04	-	971.00
Molinari, C.	2,089.90	219.24	93.09	2,402.23
O'Connor, G.L.	3,169.13	-	-	3,169.13
Reindhardt, K.	205.75	231.00	68.67	505.42
Smith, D.	2,089.90	530.70	6.61	2,627.21
	21,567.12	3,454.43	452.76	25,474.31
CTC Source Protection				
Presta, J.	-	133.40	-	133.40
	-	133.40	-	133.40
Trent Conservation Coalition Source Protection Committee				
Franklin, R.	600.00	43.20	-	643.20
	600.00	43.20	-	643.20

NOTE TO SCHEDULE OF REGIONAL COUNCIL APPOINTEES TO LOCAL BOARDS 2019 REMUNERATION AND EXPENSES

1. No remuneration or expenses were paid to Regional Council Appointees to the:
- Association of Local Public Health Agencies
 - Association of Municipalities of Ontario
 - Business Advisory Centre Durham
 - Canadian National Exhibition Association
 - Development Charges Complaint Committee
 - Durham Advisory Committee on Homelessness
 - Durham Nuclear Health Committee
 - Durham Region Child and Youth Advocate
 - Durham Region Community Safety and Well-Being Plan Steering Committee
 - Durham Region Roundtable on Climate Change
 - Durham Region Transit Commission
 - Durham Regional Local Housing Corporation
 - Durham Vision Zero Task Force
 - Golden Horseshoe Food & Farming Alliance
 - Greater Toronto Airports Authority
 - Local Diversity and Immigration Partnership Council
 - Royal Agricultural Winter Fair Association
 - South Georgian Bay-Lake Simcoe Source Protection Committee
 - Strategic Plan Development Task Force
 - Toronto Global
 - Transit Advisory Committee



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2020-F-07
Date: March 10, 2020

Subject:

Updates to the Budget Management Policy and Purchasing By-Law

Recommendation:

That the Finance and Administration Committee recommends to Regional Council that:

- A) That the existing Budget Management Policy be repealed;
- B) That the Budget Management Policy, generally in the form as set out in Attachment #1 of Report #2020-F-07 of the Finance and Administration Committee, be approved;
- C) That the current Purchasing By-law No. 68-2000, as amended, be repealed;
- D) That a new Purchasing By-Law, generally in the form as set out in Attachment #3 of Report #2020-F-07 be approved; and,
- E) That the Regional Solicitor prepare the by-law required to repeal and replace the current Purchasing By-Law.

Report:

1. Purpose

- 1.1 This report provides a series of recommendations for updating the current Budget Management Policy and Purchasing By-Law. The recommended revisions are intended to modernize the policies, ensure they reflect best practices and current legislation and streamline business processes while maintaining accountability to Council.

2. Background

- 2.1 The Budget Management Policy was established on September 27th, 2000 and was last revised on December 13th, 2017. The policy provides Regional Departments with a guideline for the expenditure of funds on both planned and unanticipated activities. It provides an accountability framework that establishes the delegated authority for spending decisions, including expenditures requiring the approval of Regional Council.
- 2.2 The Budget Management Policy also establishes reporting requirements for the key provisions within the policy, including semi-annual reporting of capital project and consultant over expenditures to Regional Council.
- 2.3 The Region of Durham Purchasing By-Law was established on October 18th, 2000 and was last amended on June 25th, 2014. The by-law outlines the purchasing and tendering policies and procedures associated with the acquisition of goods, services, and construction projects. The by-law also identifies specific items receiving exemption from the requirements of the by-law.
- 2.4 The Purchasing By-Law is a statutory requirement under the *Municipal Act, 2001*, as the Act requires all Ontario municipalities to adopt a policy on the procurement of goods and services.
- 2.5 All procurement policies must also comply with the domestic and international trade agreements that regulate the exchange of goods and services in Ontario. The two main trade agreements impacting municipal procurement are the Canadian Free Trade Agreement (CFTA) and the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).
- 2.6 These Trade Agreements contain very clear standards with respect to fair and open markets for competition both within Canada (CFTA) and internationally (CETA). While the Region continues to follow best practices for the procurement of goods and services, these Agreements provide additional specific standards including, but not limited to, the following:
- Publicly posted bid requirements in an open and transparent manner and for a prescribed length of time;
 - Exhaustive list of circumstances where sole sourcing may be authorized;
 - Not restricting competition based on location;
 - No unnecessarily restrictive specifications; and,
 - Public disclosure of information of all purchases conducted.

These standards apply for the purchase of goods and services with a value of \$100,000 or greater (CFTA).

3. Policy and By-Law Review

- 3.1 A comprehensive review of the two policies was undertaken to determine opportunities for modernization and to ensure the policies remain relevant within the current administrative climate.
- 3.2 The first phase of the review included a series of meetings involving a multi-disciplinary group of stakeholders representing various departments across the Region of Durham. Input from these meetings was used to identify key areas requiring modernization and revision.
- 3.3 The second phase included a review of policies and by-laws from comparable municipalities. This phase allowed for the identification of alternative policy options and industry best practices.
- 3.4 The review is part of the Region's continuous improvement and modernization activities. The Region is conducting a review of several by-laws and policies with the goal of streamlining processes, reducing duplication, and improving efficiency while maintaining accountability.
- 3.5 On November 27th, 2019, Council also requested that staff report on a more efficient tendering process, including the process for award of Request for Proposals stemming from dialogue around recent RFP awards submitted for Council approval.
- 3.6 The Region of Durham Long Term Financial Plan approved by Council in October, 2019, also identifies the review of both the Budget Management Policy and Purchasing By-Law as a priority in order to support financial sustainability, flexibility, and affordability.
- 3.7 The review also looks to streamline and gain efficiencies both with shortening the approval timelines but also to reduce internal time obtaining multiple signatories and providing Department Heads the appropriate authority to proceed within their areas of responsibility. Key issues include reducing the number of required signatures and decentralizing controls to provide balanced decision making across departments with appropriate accountability.

4. Budget Management Policy Recommendations

- 4.1 The proposed changes to the Budget Management Policy are included in the revised policy document found in Attachment #1. The following provides a summary of the proposed changes that appear in the revised policy.
- 4.2 The revised Budget Management Policy is intended to meet the following key objectives:
 - Increase flexibility with related accountability for Departments to manage their budgets and address unanticipated outcomes during the budget year;

- Maintain the consultative process that ensures exceptions to budgeted activities are reviewed with the Finance Department in order to fulfil the legislative requirements of the Treasurer to maintain accurate records and accounts of the financial affairs of the Region and report on budget status to Regional Council;
- Modernize exception threshold limits and approvals to ensure effective and efficient delivery of service to our residents and businesses and to align with comparator municipalities;
- Increase flexibility for Departments to approve unbudgeted capital expenditures, over expenditures on consulting contracts, and reallocations of current budget provisions between budget programs to meet changing conditions throughout the year while retaining accountability; and,
- Streamline the reporting and approval process for provisions within the Budget Management Policy.

General Revisions

- 4.3 A number of general revisions are included for increased clarity and understanding. These revisions include the following:
- Separating the provisions for operating expenditures and capital expenditures into separate subsections;
 - Replacing the term “cost centre” with “budget program” for alignment with the program summaries in the Region’s Business Planning and Budget documents; and,
 - Replacing the term “current expenses” with “operating expenses” to align with budget terminology.

Budgetary Thresholds and Approvals

- 4.4 The threshold for unbudgeted capital asset expenditures would be increased from \$25,000 to \$50,000 to better align with industry best practices. The Treasurer would be the sole approval authority for these expenditures, with the CAO receiving summary reports.
- 4.5 The threshold for a Department Head to authorize additional expenditures for unexpected requirements on consulting and professional services contracts would increase from 10% to 20% of the approved contract value.
- 4.6 Flexibility in the award of tenders and other contracts where the estimated project costs at the time of tender will not exceed the approved capital project budget by

less than \$250,000. In these situations, the additional expenditure and financing shall be approved by the Treasurer and C.A.O.

- 4.7 Department Heads would have the authority to reallocate up to \$250,000 of approved operating budget provisions between budget programs, up from the current \$100,000 threshold. Department Heads would no longer require the approval of the Treasurer for these reallocations, with the provision that the Treasurer must be provided notice when a reallocation occurs.
- 4.8 Additional commitments for capital projects would be permitted if the value of the work will not cause the project to be overspent by \$250,000. The current limit for over expenditure is \$150,000.
- 4.9 Department Heads, Treasurer, and the C.A.O would have the authority to approve unbudgeted capital expenditures over \$50,000 during a recess of Regional Council. The current limit is \$25,000. A report outlining unbudgeted capital expenditure approvals would continue to be produced for Regional Council following the recess.

Reporting

- 4.10 Reporting on activities subject to the provisions of the Budget Management Policy would be done through the appropriate Standing Committee and Regional Council. The need for duplicate Finance and Administration Committee approval has been removed in order to streamline the process, reduce administrative activities, and align with previously approved Council priorities. Reports to Standing Committees will continue to include a section on Financial Implications.
- 4.11 Reporting on consulting contracts, where the expenditure limits are expected to be exceeded but funding is still available within the project, would change from quarterly to semi-annually. This is intended to streamline the process and reduce administrative activities.

Capital Commitments and In-Service Capital Assets

- 4.12 Capital projects that have been open for a minimum of two years, and have experienced minimal activity, would be reviewed annually to determine whether the funding commitment should remain. This formalizes the process to ensure projects are proceeding expeditiously and may free up funding for other purposes.

Financial Lease Policy

- 4.13 The Statement of Financial Lease Policy continues to be included as part of the Budget Management Policy; however, a more comprehensive review of the lease policy will be undertaken in the future for the purposes of creating an independent policy.

Delegated Authority for Signature of Agreements for Social Programs

- 4.14 Department Head would be authorized to sign contracts and agreements with social agencies for the delivery of programs or the provision of services for social programs included in Departmental budget, and which are excluded from the requirements of the Purchasing By-Law.

5. Purchasing By-Law Recommendations

- 5.1 The proposed changes to the Purchasing By-Law are included in the revised document found in Attachment #3. The following provides a summary of the proposed changes that appear in the revised by-law.

- Requests for Proposals greater than \$100,000 would no longer require Council approval. The CAO would approve awards with a semi-annual report submitted to Council for information. As Council has noted in previous discussions, if the RFP process has been followed as per the by-law, there would be legal challenges if the recommendation was changed contrary to the RFP recommendations.
- Requests for Proposals for low value requirements of less than \$100,000 would be conducted by departmental staff. This allows for a more streamlined and simplified proposal process for those requirements that are not complex in nature. This would include all low value consulting requirements.
- Consulting Agreements limits would increase from \$60,000 to \$100,000 with the addition of departmental staff requesting proposals from up to three (or more) potential consultants and directly evaluating and awarding agreements based on the results. This would allow for competition among consultants for the large value agreements issued by the Region, while removing the need for the process to be conducted by Purchasing and executed by the Finance Department.
- Quotation limits would also increase to allow departmental staff to obtain three quotations for requirements up to \$100,000. This would create greater efficiency for those requirements that are not complex in nature.
- Low Value Purchases would increase from \$5,000 to \$10,000 to allow requisitioning departments to procure low value, non-repetitive requirements efficiently when required. The introduction of the PCard for such purchases, where approved, will also streamline the procurement process.
- Emergency purchases reported for information would increase from \$25,000 to \$100,000 to ensure compliance with the Trade Agreements.
- Provisions for sustainable acquisitions have been included to both align with Corporate goals and policies related to sustainability, and to support the inclusion of environmentally sound specifications within competitive procurement protocols.

- Exemptions have been reviewed and some additions have been included with respect to IT requirements, such as renewal of licenses and maintenance to allow legacy IT software to continue to be supported without further approvals.

5.2 Other areas raised during the departmental review will be addressed through new and updated Purchasing Procedures which will be introduced in 2020 along with training as required.

6. Financial Implications

6.1 The provisions within the revised Purchasing By-Law will have implications on the process of procurement of goods and services throughout the organization. The estimated value of all purchase orders in 2018 was \$369 million.

6.2 The provisions within the revised Budget Management Policy will pertain to the expenditure of funds within the Region's Business Plans and Budgets. The policy will have positive implications on the reporting of both capital and operating expenditures and allow for increased efficiency with related accountability across the senior leadership team.

7. Conclusions

7.1 A comprehensive review of the Budget Management Policy and Purchasing By-Law was undertaken, which included a series of stakeholder meetings and a review of policies from comparable municipalities.

7.2 The proposed revisions to the policies are intended to improve processes and modernize business practices.

7.3 The attached documents include revised versions of the Budget Management Policy and Purchasing By-Law, as well as summary documents outlining the proposed changes.

7.4 Upon approval of the revised policies, staff will develop a set of procedures that will provide clarity on the new requirements. A series of training and engagement sessions will also be provided to ensure staff are familiar with the new processes.

8. Attachments

Attachment #1: Revised Budget Management Policy

Attachment #2: Summary of Reporting Impacts and Proposed Changes to the Budget Management Policy

Attachment #3: Revised Purchasing By-Law

Attachment #4: Summary of Proposed Changes to the Purchasing By-Law

Respectfully submitted,

Original Signed By _____

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By _____

Elaine C. Baxter-Trahair
Chief Administrative Officer



Regional Municipality of Durham

Finance Department

Finance Policies & Procedures

Title: Budget Management Policy	
Issued: September 27, 2000	Page #: 1 of 11
Revised: March 25, 2020	
Approved by: Regional Council	

1. Introduction

- 1.1 Key to the approved Long-term Financial Planning Framework of the Region of Durham is to continue the development of sound fiscal policies and long-range financial planning of Regional services. Under the Municipal Act, Council is charged with maintaining the financial integrity of the municipality. The Chief Administrative Officer and Municipal Administration are responsible to establish administrative practices and procedures to carry out Council's decisions and managing the affairs of the municipality efficiently. The Budget Management Policy is one of the fiscal policies that addresses how Council discharges that responsibility as well as the balancing of expenditures for the delivery of Regional services with the availability of funding, both on a current and long-term basis.

The Budget Management Policy is designed to work in conjunction with other Regional Policies and Provincial legislation that mandates the responsibility of the Treasurer for the discharge of financial duties. This Policy should be reviewed in concert with other fiscal policies of the Region.

2. Objective

- 2.1 This policy provides a guideline for the expenditure of funds, provides an accountability framework that establishes the extent of authority for spending decisions, both planned and unanticipated, and outlines the discretion permitted in the spending decisions within the authority as delegated by Regional Council.

The policy:

- Links accountability with the responsibility for service delivery;
- Provides the mechanisms to deal with exceptions from planned service delivery;
- Applies to all senior government investments and externally financed operating and capital activities;
- Outlines the means to give early warnings of budget deficits and surpluses and to identify opportunities to redirect allocated funding; and,
- Enhances corporate and financial integrity while maintaining the ability to deliver services effectively and efficiently.

3. Roles and Responsibilities

- 3.1 Council approves the annual budget. The Finance Department shall monitor the annual operating and capital budgets and report to the C.A.O., Finance & Administration Committee

and Regional Council on the overall budget status of all Regional operations and projects, including any material variance between budgeted and actual expenditures, revenues or service levels.

- 3.2 A Department Head has the responsibility to provide the budgeted level of service approved by Regional Council within the approved operating and capital budgets for their Regional Department and within the corresponding discretionary spending authority as outlined in this policy.
- 3.3 The Finance Department is responsible for ensuring the necessary funding is available to finance the expenditures within the parameters of Regional Council approvals.
- 3.4 The Finance Department has responsibility to define from time to time, in consultation with Regional Departments, operating and capital programs and projects for the purposes of preparing, managing, and monitoring budgets.
- 3.5 The Finance Department shall have overall responsibility for the coordination and implementation of processes for financial service level indicators. The definition of these financial service level indicators shall be the responsibility of the Regional Departments.
- 3.6 This policy applies fully to the Durham Region Transit Commission, the Durham Regional Local Housing Corporation and the 9-1-1 Management Board, with any required reporting through the applicable Standing Committee.

4. Consultation on Financial Implications and Budget Variances

- 4.1 Standing Committee and Transit Executive Committee reports must include a Financial Implications section whenever there are significant financial issues, budget impacts or funding requirements. The Financial Implications section shall be reviewed with the Finance Department and concurrence by the Treasurer will be indicated. Further, all Durham Regional Police Services Board reports with financial implications will be referred to the Finance Department for a report for consideration by the appropriate Standing Committee as determined by the Treasurer.
- 4.2 Approvals required by this policy must first be reviewed with the Finance Department to ensure the accuracy of financing and conformance with Regional financial policies.
- 4.3 All business case applications for investment or other related funding from senior levels of government or external organizations with respect to Regionally operated programs shall be co-ordinated with the Region's Finance Department to ensure corporate financial accountability in expenditure management and reporting requirements.
- 4.4 The Finance Department, in consultation with Department Heads, will prepare a budget variance report to Regional Council at a minimum three times per year, generally in the second, third, and fourth quarters.

5. Acquisition of Goods and Services

- 5.1 The acquisition of all goods and services is addressed by the Purchasing By-Law of the Regional Municipality of Durham.
- 5.2 Costs of goods and services shall be expensed in the year in which they are received, in accordance with generally accepted accounting principles.

- 5.3 A Department shall not incur any exceptional or new expenditure that materially alters the budgets or level of service unless the applicable Standing Committee and Regional Council approval is received.
- 5.4 A proposed lease will be material when it extends beyond the term of Regional Council and/or requires annual lease payments of \$150,000 or greater. Property leases with a term greater than 5 years will also be considered material. For each material lease, the Treasurer will prepare a report for Committee and Council which will assess each material lease, including any possible extensions or renewals, on the following basis:
- An assessment of the costs, financial and other risks including comparing fixed and estimated costs of the proposed lease with other methods of financing;
 - A lease versus buy net present value analysis;
 - A calculation of the effective rate or rates of financing for the lease;
 - The ability for the lease payment to vary and a sensitivity analysis showing the impact of possible rate changes, including methods and calculations;
 - A statement outlining any contingent payment obligations that would result in a material impact including lease termination provisions, equipment loss and/or damage, replacement options and guarantees and indemnities;
 - A summary of all assumptions applicable to any possible variations in the lease payment and contingent payment obligations; and,
 - Any other matters the Treasurer or Council considers advisable.
- 5.5 Non-material leases with a total value greater than \$50,000 will require the appropriate Department to produce a report containing a clear term and schedule of all fixed payments. This report will be forwarded to the Finance Department to:
- Update the calculation of the Regional debt and financial obligation limit;
 - Determine whether the lease is classified as an operating or capital lease and determine the appropriate accounting treatment; and,
 - Determine the most advantageous method of financing, considering both internal and external leasing arrangements, rentals or other methods of financing.

6. Emergency Purchases

- 6.1 Operating or capital expenditures of an emergency nature shall be subject to the provisions of the applicable clause of the Purchasing By-Law.

7. Consulting Services

- 7.1 The award of consulting and professional services shall be subject to the approval limits and thresholds in accordance with the Purchasing By-Law.
- 7.2 A Department Head is authorized to approve additional expenditures for consulting and professional services provided the approved contract value does not exceed \$100,000.
- 7.3 Where the approved contract value exceeds \$100,000 the Department Head is authorized to approve additional expenditures up to 20% of the approved contract value, to a maximum increase of \$75,000. Expenditures above these limits will be approved by the Department Head and the Treasurer and be included in a semi-annual information report submitted by the Treasurer.

8. Personnel Services Expenditures

- 8.1 The complement of regular full-time employees for each Department shall be provided to the Finance Department annually for budget purposes. The detailed Annual Budget will include the approved complement and additions thereto as a description of the resources for each budgeted program.
- 8.2 Changes to the complement subsequent to the approval of the Annual Budget shall be reported to the Finance Department. Any staffing changes occurring during the year, not included in the current year budget, shall be noted in the following year's budget in the description of resources.
- 8.3 If it is projected that changes in staffing levels will create an over expenditure in the Budget Program, the Department shall propose a plan to reduce expenditures and/or to obtain additional financing to cover the expected deficit. Details of the plan shall be provided to the Finance Department and will be subject to the reallocations of operating budget provisions of this policy.

Operating Budgets and Expenditures

9. Operating Expenditures Prior to Budget Approval

- 9.1 Prior to the approval of the Annual Budgets, Regional Departments may incur operating costs, excluding capital expenditures, in each budget program to a level of 50% of the approved budgeted amount of the prior year.

10. Reallocations of Operating Budget Provisions

- 10.1 Reallocations of operating budget provisions between accounts within a Budget Program are permitted on the condition that over expenditures in one account within a Budget Program will not over expend the total of all accounts for that Budget Program.
- 10.2 The Department Head is authorized to reallocate operating budget provisions to a maximum of \$250,000 between budget programs within a Department, with notification provided to the Treasurer.
- 10.3 Reallocations that change the budgeted objectives or service levels of a Budget Program shall require approval of the Department Head, up to a departmental expenditure level of \$250,000, with notification provided to the Treasurer.
- 10.4 Reallocation of operating budget provisions in excess of \$250,000 shall require approval of the Department Head and Treasurer. This includes changes to objectives or service levels that may be mandated by senior levels of government and which may be financed in whole or in part by others.
- 10.5 The Treasurer shall report on all significant reallocations of operating budget provisions in accordance with Section 4.4.

11. Unanticipated Revenues

- 11.1 Unanticipated senior government investment or funding from external sources, and the related expenditure plans, shall require approval of the Department Head and Treasurer prior to the expenditure of funding and shall be reported as a component of the budget variance reporting. Unanticipated revenues in excess of \$1,000,000, and the proposed expenditure plan, require

approval of the appropriate Standing Committee and Regional Council prior to the expenditure of funding particularly if any matching funding is required that cannot be addressed in the approved budget.

12. Unexpended Funds

- 12.1 At the end of a fiscal year, unexpended funds in the Annual Budget of any Department and not otherwise dealt with by Regional Council shall at the end of the year become part of the Regional surplus for the applicable fund.
- 12.2 At year end, requests to retain unspent amounts in conjunction with longer term special operational projects or where funding has been provided by an external source shall be submitted to the Finance Department for review and, where warranted, may be approved by the Treasurer.

CAPITAL ASSET EXPENDITURES

13. Capital Asset Expenditures Prior to Budget Approval

- 13.1 Prior to the approval of the Annual Budgets, capital asset expenditures deemed essential by a Department Head shall be submitted to the Finance and Administration Committee and Regional Council for approval prior to the purchase or undertaking.

14. Capital Expenditure Budget

- 14.1 A Department shall not incur capital asset expenditures and the Finance Department shall not process purchase requisitions for such expenditures unless the expenditure is included in the annual budgets as approved by Regional Council, subject to Section 14.2.
- 14.2 Unbudgeted capital asset expenditures may be incurred provided that the applicable approval is obtained prior to the purchase.
 - 14.2.1. The Department Head and Treasurer are permitted to approve expenditures up to \$50,000, for those acquisitions that are financed from current budget provisions or senior government investments.
 - 14.2.2. Expenditures in excess of \$50,000, or those to be financed from other sources, require the approval of the Treasurer and C.A.O. and the applicable Standing Committee and Regional Council. Other sources of financing include, but are not limited to, reserves, reserve funds, and leases.

15. Capital Project Approval

- 15.1 For capital projects, the proposed expenditures and financing shall be included in the Business Plans and Budgets, in a format specified by the Treasurer, for approval by the applicable Standing Committee and Regional Council.
- 15.2 For capital projects of the Durham Regional Police Services Board, the CAO and Finance Department shall be consulted and a report to the Finance and Administration Committee and Council that provides an appropriate business case, including items such as revenue projections, financing risks and sensitivity analyses, shall be submitted for approval.

15.3 Upon Regional Council's capital project budget approval, Regional staff are authorized to undertake procurement activities and award contracts, in accordance with the Purchasing By-Law, except where either of the following is applicable:

- Debenture financing approval is needed
- Estimated project costs are expected to exceed the capital project approval and additional project financing in excess of \$250,000 is required.

If either of the above exceptions apply, an updated capital project approval report will be submitted to the applicable Standing Committee and Regional Council prior to the award of the applicable contract.

15.4 Where the estimated project costs based on the award of a tender or other contracts are expected to exceed the approved capital project budget by less than \$250,000, the additional expenditure and financing shall be approved by the Department Head, Treasurer and C.A.O. Financing for the additional project costs will be provided through reallocation from within the current year capital program, with the details of the material reallocation incorporated into a semi-annual information report submitted by the Treasurer.

15.5 Should the estimated project costs be less than approved for the project based on the award of a tender or other contract, the excess financing identified will be returned to the originating funding source.

16. Capital Project Expenditures Anticipated to Exceed Contract with Available Project Funding

16.1 For capital projects, the Department Head shall be authorized to make commitments to contractors performing extra work under a contract where such commitments do not increase the approved contract value beyond the following limits, provided additional project financing is not required.

Approved Contract Value	Additional Expenditure Limit
Up to \$1,000,000	10% of approved contract value
\$1,000,000 to \$3,000,000	Minimum value - \$100,000; Maximum value - the lesser of 7% of the approved contract value or \$200,000
Over \$3,000,000	Minimum value - \$200,000; Maximum value - the lesser of 5% of the approved contract value or \$400,000

16.2 The Finance Department shall be advised of the commitment for extra work and the reallocation of financing within the capital project to cover the additional expenditure, up to the limits specified in Section 16.1. For additional expenditures in excess of \$250,000, the details of the additional expenditure shall be incorporated in a semi-annual information report submitted by the Treasurer.

17. Capital Project Expenditures Anticipated to Exceed Contract and Project Funding

- 17.1 Additional commitments for a capital project shall not be authorized if the value of the work will cause the project to be over expended by more than \$250,000 beyond project funding. Approval of the applicable Standing Committee and Regional Council will be required to approve the commitment and the additional sources of financing.
- 17.2 Commitments where the cumulative project over-expenditure does not exceed \$250,000 will require the approval of the Department Head, Treasurer and C.A.O., and financing for the additional project costs will be provided through reallocation from within the current year capital program, with the material details incorporated into a semi-annual information report submitted by the Treasurer. The Treasurer shall determine a source of financing in cases where there is insufficient funding available.

18. Capital Commitments and In-Service Capital Assets

- 18.1 Where a budgeted capital asset has been ordered but delivery will not be made until a subsequent budget year, or where a capital project is in progress, the amount of the financing required to fund the full capital asset expenditure shall be retained in the applicable capital project.
- 18.2 In the event that a capital project has been open for a minimum of 2 years and is not progressing in a reasonable and timely manner, a review by the Department Head and Treasurer will be completed and, unless conditions warrant retaining the funding, the capital project will be closed and the financing will be returned to the originating funding source.
- 18.3 Department Heads shall notify the Treasurer of all capital asset expenditures that are in service and/or have entered the warranty period. The status of completion will be assessed at least annually and financing in excess of that required to complete the expenditures will be returned to the originating funding source.

MISCELLANEOUS

19. Delegation of Authority during Recesses of Regional Council

- 19.1 The Department Head, Treasurer and C.A.O. shall be authorized to approve project financing during a recess of Regional Council.
- 19.2 The Department Head, Treasurer and C.A.O. shall be authorized to approve the acquisition of unbudgeted capital over \$50,000 during a recess of Regional Council.
- 19.3 In order to facilitate the awarding and approval of sole source negotiations over \$100,000, the Treasurer shall be authorized to act on behalf of Regional Council, subject to the agreement of the applicable Department Head and C.A.O. and the availability of sufficient funding. The Treasurer shall be authorized to execute any resultant Agreements for the goods and services required.
- 19.4 In order to facilitate the negotiation and approval of leases considered to be material (i.e. extension beyond the terms and/or annual payments \$150,000 or greater), the Treasurer shall be authorized to act on behalf of Regional Council, subject to the agreement of the applicable Department Head and C.A.O. and the availability of sufficient funding, and the Treasurer shall be authorized to execute any leases required.

- 19.5 The Commissioner of Works shall be authorized to approve the acquisition of real property interests in accordance with the applicable Regional Property Acquisition By-Law, subject to the approval of the appropriate funding by the Treasurer.
- 19.6 A report providing details of such awards and approvals shall be submitted for information following the recess.

20. Approval of Senior Government Investment or External Funding

- 20.1 For new program initiatives or enhancements to an existing program where the proposed financing is 100% from senior government investments or external sources and where the expenditures will be included in the Regional Business Plans and Budgets, the associated expenditures will not be committed until such time as written notice confirming the investment is received from the respective senior government partner or other external source and Regional Council has been advised accordingly.

21. Delegated Authority for Signature of Agreements for Social Programs

- 21.1 The Department Head is authorized to sign contracts and agreements with social agencies for the delivery of programs or the provision of services for social programs included in departmental budgets and which are excluded from the requirements of the Purchasing By-Law and are not required to be bid competitively, subject to the agreement or contract being in a form acceptable to Corporate Service – Legal Services and the Treasurer.

22. Definitions

Approved Contract Value – represents the initial contract value plus any cumulative increases to the contract value as provided under this policy.

Budget Program – All references in this policy to a budget program shall denote the programs grouped together in the annual budget Program Detail pages, for each applicable fund and, at a minimum, shall be segregated between operating programs and capital asset expenditures, with major capital activities designated as separate programs.

Capital Asset Expenditures - are defined under the Region's Tangible Capital Asset policy and may be classified as:

- Individual assets (or pooled assets) budgeted annually using the Tangible Capital Asset New and Replacement worksheets of a departmental budget;
- Major Capital activities budgeted annually using the capital project detail form specified by the Treasurer; or,
- Unbudgeted items approved in year in accordance with this policy.

Dollar Amounts - All references in this policy to dollar amounts are to Canadian dollars and are exclusive of taxes.

Summary of Budget Management Policy Requirements

Situation	Operating Expenditures	Capital Asset Expenditures New / Replacement	Capital Asset Expenditures Major / Project
Overall Guidance	<p>3. Roles and Responsibilities</p> <p>4. Consultation</p> <p>5. Acquisition of Goods and Services</p> <p>6. Emergency Purchases</p> <p>7. Consulting Services</p> <p>8. Personnel Services Expenditures</p>	<p>3. Roles and Responsibilities</p> <p>4. Consultation</p> <p>5. Acquisition of Goods and Services</p> <p>6. Emergency Purchases</p> <p>7. Consulting Services</p>	<p>3. Roles and Responsibilities</p> <p>4. Consultation</p> <p>5. Acquisition of Goods and Services</p> <p>6. Emergency Purchases</p> <p>7. Consulting Services</p>
Expenditures prior to Budget Approval	<p>9.1 Up to 50% of the prior year's budget for the budget program</p>	<p>13.1 Those deemed essential by a Department Head shall be submitted to the Finance & Administration Committee and Regional Council for approval prior to the purchase or undertaking.</p>	<p>13.1 Those deemed essential by a Department Head shall be submitted to the appropriate Standing Committee and Regional Council for approval prior to the purchase or undertaking.</p>
Expenditure not included in Approved Budget	<p>10.2 Department Head can reallocate between Programs up to \$250,000.</p> <p>10.3 Reallocations <= \$250,000 that change budgeted objectives of a Department require approval of Department Head with notification to Treasurer.</p> <p>10.4 Reallocations > \$250,000 require approval of Department Head and Treasurer.</p> <p>11.1 Unanticipated funding and the related expenditure plans require approval of the Department Head and Treasurer prior to the expenditure of funding. For amounts in excess of \$1,000,000, approval of appropriate Standing Committee and Regional Council is required.</p> <p>20.1 New / enhanced programs with proposed 100% financing from senior government or external sources, to be included in Budgets, require written confirmation from funder before proceeding.</p>	<p>14.2 Unbudgeted capital asset expenditures may be incurred provided that the applicable approval is obtained prior to the purchase.</p> <p>14.2.1 Expenditures up to \$50,000 require the prior approval of the Department Head and Treasurer</p> <p>14.2.2 Expenditures over \$50,000 require the approval of the Treasurer, CAO, applicable Standing Committee and Regional Council.</p>	<p>14.2 Unbudgeted capital asset expenditures may be incurred provided that the applicable approval is obtained prior to the purchase.</p> <p>14.2.1 Expenditures up to \$50,000 require the prior approval of the Department Head and Treasurer</p> <p>14.2.2 Expenditures over \$50,000 require the approval of the Treasurer, CAO, applicable Standing Committee and Regional Council.</p>

Situation	Operating Expenditures	Capital Asset Expenditures New / Replacement	Capital Asset Expenditures Major / Project
Project costs greater than expected	Not Applicable	Not Applicable	<p>15.3 Where debenture financing approval is needed or estimated project costs expected to exceed the capital project approval, and additional project financing in excess of \$250,000 is required, an updated capital project approval report shall be submitted to the applicable Standing Committee and Regional Council prior to award of applicable contract.</p> <p>15.4 Tender costs which are expected to exceed the approved capital project budget by less than \$250,000; the additional expenditure and financing shall be approved by the Department Head, Treasurer and C.A.O.</p>
Expenditure on contract is expected to exceed approved value of contract and funding is available in the project	Not Applicable	Not Applicable	<p>16.1 Department Head can authorize additional commitments on contracts up to:</p> <ul style="list-style-type: none"> • 10% of approved contract value for approved contracts up to \$1,000,000 • For approved contracts between \$1,000,000 and \$3,000,000: Minimum - \$100,000; Maximum - lesser of 7% of the approved contract value or \$200,000 • For approved contracts over \$3,000,000: Minimum - \$200,000; Maximum - lesser of 5% of the approved contract value or \$400,000 <p>16.2 Finance shall be advised of the commitment for extra work and the required reallocation of financing to cover additional expenses up to limits in 16.1.</p>

Operating Expenditures		Capital Asset Expenditures New / Replacement	Capital Asset Expenditures Major / Project
Expenditure is expected to cause over expenditure	<p>4.4 Budget variance report to Regional Council at a minimum three times per year, generally in the second, third, and fourth quarters.</p> <p>8.3 Changes in staffing levels that will create an over expenditure in the Budget Program, the Department shall propose a plan to reduce expenditures and/or obtain additional financing to cover the expected deficit.</p>	<p>4.4 Budget variance report to Regional Council at a minimum three times per year, generally in the second, third, and fourth quarters.</p>	<p>17.1 Additional commitments for a capital project requires approval of applicable Standing Committee and Regional Council if it will cause the project to be over expended by more than \$250,000.</p> <p>17.2 For commitments where cumulative project over-expenditure is =< \$250,000 will require approval by Department Head, Treasurer and C.A.O.</p>
Commitments at Year End	<p>12.2 Requests to retain unspent amounts in conjunction with longer term special operational projects, or where funding has been provided by an external source, shall be submitted to the Finance Department for review and, where warranted, may be approved by the Treasurer.</p>	<p>18.1 Capital Asset ordered but delivery will not be made until following year, or a capital project that is in progress, financing will be retained in the capital project for the following year.</p>	<p>18.1 Capital Asset ordered but delivery will not be made until following year, or a capital project that is in progress, financing will be retained in the capital project for the following year.</p>

If you require this information in an accessible format, please contact 1-800-372-1102 extension 3087.

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Budget Management Policy: Reporting Requirements

Semi annual information report submitted by the Treasurer

- Section 7.3 where additional expenditures for consulting and professional services contracts exceed the limit of 20% of the approved contract value up to a maximum of \$75,000
- Section 15.4 where tender costs exceed the approved capital project budget by less than \$250,000
- Section 16.2 additional capital project expenditures which will exceed the contract value with available capital project funding in excess of \$250,000
- Section 17.2 where cumulative project over expenditures are below \$250,000 with no available funding in the capital project, whether funded from reallocation from other current year capital projects or at the discretion of the Treasurer

Quarterly budget variance report at a minimum of three times per year generally in the second, third or fourth quarter (Section 4.4)

- Section 10.5 all significant operating budget reallocations
- Section 11.1 unanticipated senior government investment or funding from external sources

Exception Reporting to Appropriate Standing Committee and Regional Council

- Section 5.4 material leases when it extends beyond the term of Regional Council and /or requires annual lease payments of \$150,000 or greater
- Section 11.1 unanticipated senior government investment or funding from external sources in excess of \$1,000,000 a proposed expenditure plan shall be approved prior to the expenditure of the funding
- Section 13.1 Capital asset expenditures prior to the budget and deemed essential by a Department Head submitted for approval prior to the purchase or undertaking
- Section 14.2.2 unbudgeted capital asset expenditures in excess of \$50,000
- Section 15.2 for capital projects of the Durham Regional Police Services Board, the Finance Department shall be consulted and a report including the appropriate business case items such as revenue projections, financing risks and sensitivity analysis shall be submitted
- Section 15.3 where capital project debenture financing approval is required, or project costs are expected to exceed the capital project approval and additional project financing in excess of \$250,000 is required
- Section 17.1 where additional commitments for a capital project if the value of the work will cause the project to be over expended by greater than \$250,000
- Section 19.6 detail of approvals and awards during recess of Regional Council

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Section	Current Policy	Updated Policy
Objective		<ul style="list-style-type: none"> • Policy applies to all senior government investments and externally financed operating and capital activities
Roles and Responsibilities		<ul style="list-style-type: none"> • Applies to the Durham Region Transit Commission, The Durham Regional Local Housing Corporation and the 9-1-1 Management Board, with any required reporting through the applicable standing committee
Consultation on Financial Implications and Budget Variances	<ul style="list-style-type: none"> • Regional Council will be informed on a timely basis of any material variance between budgeted and actual expenditures, revenues or service levels 	<ul style="list-style-type: none"> • Budget variance report to Regional Council at a minimum of three times starting in the second quarter
Emergency Purchases	<ul style="list-style-type: none"> • Expenditures of an emergency nature shall be subject to the provisions of the applicable clause of the Purchasing By-Law 	<ul style="list-style-type: none"> • Reordered this section so that it is clearer that the clause applies to both operational and capital expenditures, under the Purchasing By-Law
Consulting Services	<ul style="list-style-type: none"> • Department Head may authorize additional expenditures for unexpected requirements for amounts up to 10% of the original contract value, to a maximum of \$50,000. • Where it is estimated that the expenditure limits will be exceeded a quarterly information report shall be submitted 	<ul style="list-style-type: none"> • Where the approved contract value exceeds \$100,000 the Department Head has authority to approve additional costs up to 20% of the approved contract value to a maximum of \$75,000 • Expenditures above those limits will be reported semi-annually
Operating Budget and Expenditures		<ul style="list-style-type: none"> • Reorganized policy to address operating specific items
Reallocation of Operating Budget Provisions	<ul style="list-style-type: none"> • Written approval of the Department Head, Treasurer and C.A.O. for reallocation to a maximum of \$100,000 between cost centres with a Department 	<ul style="list-style-type: none"> • Department Head is authorized to reallocate operating budget up to \$250,000 with notification to the Treasurer

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Section	Current Policy	Updated Policy
Reallocation of Operating Budget Provisions	<ul style="list-style-type: none"> Reallocation of current budget provisions in excess of \$100,000 require Department Head, Treasurer, C.A.O Committee and Regional Council approval between cost centres within a department or reallocations between Departments 	<ul style="list-style-type: none"> Reallocation in excess of \$250,000, including changes to objectives or service levels directed by senior levels of government, require approval of the Department Head and Treasurer Reallocations that change the budgeted objectives or service levels of a Budget Program shall require approval of the Department Head, up to a departmental expenditure level of \$250,000, with notification provided to the Treasurer
Operating Budget - Unanticipated Revenues	<ul style="list-style-type: none"> Approval of the Department Head, Treasurer, C.A.O., applicable Standing Committee, Finance and Administration Committee and Regional Council shall be required to expend unanticipated revenues 	<ul style="list-style-type: none"> Senior government investments or funding from external sources and related expenditure plans shall require approval of the Department Head and Treasurer prior to expenditure of funding Unanticipated revenues in excess of \$1,000,000 and the proposed expenditure plan require approval of appropriate Standing committee and Regional Council
Operating Budget - Unexpended Funds	<ul style="list-style-type: none"> At the end of a fiscal year unexpended funds in the annual budget of any department and not otherwise dealt with by Regional Council become part of the Regional surplus for the applicable fund 	<ul style="list-style-type: none"> Policy maintained Ability for Departments to request to retain unspent amounts in conjunction with longer term special projects or external party funding and submit request to the Treasurer for review and where warranted retention of the funding
Capital Asset Expenditures		<ul style="list-style-type: none"> Reorganized policy to address capital specific items
Capital Asset Expenditures Budget	<ul style="list-style-type: none"> Treasurer and C.A.O. approve unbudgeted capital up to \$25,000 	<ul style="list-style-type: none"> Updated limit to \$50,000 Department Head and Treasurer approval

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Section	Current Policy	Updated Policy
Capital Asset Expenditures Budget	<ul style="list-style-type: none"> • Unbudgeted capital expenditures in excess of \$25,000 • Approval of the Treasurer, C.A.O, applicable Standing Committee, Finance and Administration Committee and Regional Council 	<ul style="list-style-type: none"> • Updated limit for capital expenditures in excess of \$50,000 • Approval of Treasurer, C.A.O., applicable Standing Committee and Regional Council
Capital Project Approval	<ul style="list-style-type: none"> • Capital projects are to be jointly recommended to Regional Council by the applicable Standing Committee and the Finance and Administration Committee when the Annual Budget is presented for approval • Department shall describe the project and location and report detailing the need for the project and the estimated expenditure budget. The Finance department shall report on the sources of financing and update the Regional debt and financial obligation limit for projects where debenture financing may be utilized 	<ul style="list-style-type: none"> • For capital projects the proposed expenditures and financing shall be included in the Business Plans and Budgets in a format specified by the Treasurer for approval by the applicable Standing Committee and Regional Council
Capital Project Approval	<ul style="list-style-type: none"> • Regional Councils approval for capital project expenditure and financing will be sufficient authority to proceed to tender and award of contract per the Purchasing By-Law provided that <ul style="list-style-type: none"> • No additional sources of financing become available for the project • Debenture financing is not required 	<ul style="list-style-type: none"> • Regional Council’s capital project approval provides authority to undertake procurement activity and award contracts per the Purchasing By-Law except where either of the following is applicable <ul style="list-style-type: none"> • Debenture financing approval is needed • Estimated project costs are expected to exceed the capital project approval and additional financing in

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Section	Current Policy	Updated Policy
	<ul style="list-style-type: none"> No additional sources of financing become available for the project Budgeted percentage from each source does not change 	<p>excess of \$250,000 is required</p>
Capital Project Approval	<ul style="list-style-type: none"> No exception limit for project costs exceeding budget 	<ul style="list-style-type: none"> Where project costs exceed the budget by less than \$250,000 addition approval by Department Head, Treasurer and C.A.O. Financing shall be provided through reallocation of current year budget for capital asset expenditures, with details reported semi annually
Capital Project Approval		<ul style="list-style-type: none"> Provision that savings when a project tender is awarded shall be returned to the originating funding source
Capital Project Costs to Exceed Contract with available Project Funding	<ul style="list-style-type: none"> Threshold limits for approval and reporting based on contract value 	<ul style="list-style-type: none"> No change to threshold limits Updated terminology to refer to approved contract value Updated reporting requirements in that approvals in excess of \$250,000 are included in the semi-annual information report
Capital Project costs to Exceed Contract and Project Funding	<ul style="list-style-type: none"> Additional commitments over \$150,000 would require report for approval 	<ul style="list-style-type: none"> Increase in threshold to \$250,000
Capital Project costs to Exceed Contract and Project Funding		<ul style="list-style-type: none"> Defined requirement to reallocate current year budget for capital asset expenditures to offset costs below the \$250,000 threshold Should there be insufficient sources of financing the Treasurer shall determine a source of financing for the project
Capital Commitment at Year end	<ul style="list-style-type: none"> Identified provision of ordered but not delivered assets and projects in progress to have funding placed in reserve 	<ul style="list-style-type: none"> Updated to retain in the applicable capital project

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Section	Current Policy	Updated Policy
Capital Commitment at Year end		<ul style="list-style-type: none"> • Review of capital projects that are a minimum of 2 years old and are not progressing in a reasonable and timely manner by the Department Head and Treasurer • Where warranted projects will be closed with financing returned to originating funding source
Capital Commitment at Year end		<ul style="list-style-type: none"> • Notification by Department Head to Treasurer of all capital asset expenditures that are in service or in the warranty period. • Status of completion of projects will be assessed at least annually with financing in excess of requirements returned to originating source
Delegation of Authority during Recesses of Regional Council	<ul style="list-style-type: none"> • The Treasurer be authorized to recommend project financing to the Regional Chair and Chair or Vice Chair of the applicable Standing Committee for approval during a recess of Regional Council 	<ul style="list-style-type: none"> • Update approval to Department Head, Treasurer and C.A.O.
Delegation of Authority during Recesses of Regional Council	<ul style="list-style-type: none"> • Regional Chair or C.A.O. and the Chair or Vice-Chair of the applicable Standing Committee authorize the acquisition of unbudgeted capital over \$25,000, with reporting to Standing Committee, Finance and Administration Committee and Regional Council subsequent to the recess 	<ul style="list-style-type: none"> • Update limit to \$50,000 with approval by Department Head, Treasurer and C.A.O.
Delegation of Authority during	<ul style="list-style-type: none"> • Awarding of prequalification Request for Proposals the Commissioner of Finance 	<ul style="list-style-type: none"> • Not required due to modifications to the Purchasing By-Law

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Section	Current Policy	Updated Policy
Recesses of Regional Council	be authorized to approve the list of prequalified suppliers subject to agreement of Department Head and C.A.O. subject to available funding	
Delegation of Authority during Recesses of Regional Council	<ul style="list-style-type: none"> In order to facilitate the awarding of RFP's and approval of sole source negotiations over \$125,000, the Commissioner of Finance be authorized to act on behalf of Regional Council, subject to the agreement of the applicable Department Head and C.A.O. and the availability of sufficient funding and the Commissioner of Finance be authorized to execute any resultant Agreements for the goods and services required 	<ul style="list-style-type: none"> Updated to only address the awarding and approval of sole source negotiations over \$100,000 due to modifications to the Purchasing By-Law
Delegation of Authority during Recesses of Regional Council	<ul style="list-style-type: none"> The Commissioner of Works authorized to approve acquisition of real property interests exceeding the \$50,000 threshold, subject to the approval of the appropriate funding by the Commissioner of Finance 	<ul style="list-style-type: none"> Updated to refer to provisions of the Regional Real Property Acquisition By-Law
Delegation of Authority during Recesses of Regional Council	<ul style="list-style-type: none"> Identified multiple areas for reporting 	<ul style="list-style-type: none"> Updated to reference that all awards and approvals in shall be submitted for information following the recess
Approval of Senior Government Investment or External Funding	<ul style="list-style-type: none"> Had been included as portion of prior budget approval section 	<ul style="list-style-type: none"> Reordered to a separate section as this situation refers to new initiatives that will be included in the Regional Budget but are subject for funding confirmation by the senior level of government or external party at a point

SUMMARY OF REPORTING IMPACTS AND PROPOSED CHANGES TO THE BUDGET MANAGEMENT POLICY

Section	Current Policy	Updated Policy
		subsequent to the Regional Budget <ul style="list-style-type: none"> • Addresses the conditional approval afforded in the Regional budget subject to final confirmation of funding
Delegation of Authority for Signature Agreements for Social Programs		<ul style="list-style-type: none"> • New section authorizes a Department Head to sign contracts and agreements with social agencies for the delivery of programs or the provision of services for social programs that are included in departmental budgets
Definitions	<ul style="list-style-type: none"> • Had defined capital expenditure as benefiting greater than a year or the betterment of an existing asset with a cost greater than \$1,000 	<ul style="list-style-type: none"> • Updated to reflect current terminology, particularly with respect to the implementation of the Regions Tangible Capital Asset Policy • Provide reference and clarity to terms utilized in this policy

Purchasing By-law Number XXXX
of The Regional Municipality of Durham

Being a by-law to repeal By-law number 68-2000, as amended, and replace it with a new Purchasing By-law for the purpose of modernizing the Regional Municipality of Durham's purchasing policies and procedures.

Whereas the Council of The Regional Municipality of Durham had enacted By-law number 68-2000, as amended, being a by-law to govern the procedures for open, fair and transparent procurement for the Region;

Whereas Section 270(1) of the Municipal Act, 2001 requires municipalities to adopt policies with respect to the procurement of Goods, Services and Construction;

Now therefore, the Council of The Regional Municipality of Durham hereby enacts as follows:

1. Definitions and interpretations

1.1 Definitions

"acquisition" means the process of obtaining goods and services, including rental or lease;

"bid" means an offer or submission from a vendor in response to a request for quotation, tender, or proposal, which is subject to acceptance or rejection;

"Commissioner of Finance" means the Commissioner of Finance and Treasurer for The Regional Municipality of Durham, or his or her designate;

"centralized purchasing" refers to the activities in this regard conducted by the Purchasing Section of the Finance Department which is responsible for the purchase of all goods and services as provided in this by-law;

"consulting and professional services" means the services of those vendors who provide advice and recommendations based upon their professional ability and expertise, on which the Region may rely, and includes the resulting reports, diagrams, documents, and work product.

"contract" means binding agreement between two or more parties;

"co-operative purchasing" refers to the participation of two or more public agencies in a tender call;

"council" means the Council of The Regional Municipality of Durham;

"Department Head" means the head of any Regional department;

"emergency" means a situation where the immediate purchase of goods, works or services is essential to prevent serious delays in the work of any department which might involve danger to life, damage to property or the provision of an essential service;

"goods and services" includes supplies, equipment, materials and maintenance and service contracts;

"instructions to bidders" are the instructions given to prospective bidders in a request for quotation, tender or proposal;

"inventory control" refers to the management of materials required by user departments to ensure that they are available when required while at the same time minimizing investment;

"limited tendering" means a procurement method whereby the procuring entity contacts a supplier or suppliers of its choice;

"personal purchases" means a purchase of goods or services requested by an elected official, an appointed official or by any other employee of the Region the requirement for which is not for the Region or any of its purposes but is for the benefit and use of the person requesting the purchase;

"proposal" means an offer from a supplier in response to a request for proposal, acceptance of which may be subject to further negotiation;

"purchase order" means a written or electronic offer to purchase goods and services or a written or electronic acceptance of an offer;

"purchase requisition" is a request, in an approved form, to the Purchasing Section to purchase goods and services;

"quality based selection" is a process for competitive selection of consultant and professional services using value-based criteria such as

experience, expertise, resources, etc;

"quotation" means an offer from a supplier to buy from or sell goods and services to the Region;

"real property" for the purpose of this by-law, includes lands, buildings, tenements and any interest, estate or right or easement affecting same;

"Region" means The Regional Municipality of Durham;

"standing agreement" refers to a master agreement between Durham Region and a supplier for a stated period of time and covering specific goods or services with stated prices, or items of a general category that are covered by a published price list;

"security" is a specified dollar amount in the form of cash, certified cheque, bid bond, performance bond, labour and materials bond, letter of credit or any other form as deemed necessary and stated in the terms and conditions within a tender;

"standing committee" means a committee appointed by council;

"systems contract" refers to a master agreement between the Region and a supplier to facilitate the re-ordering of repetitive use material and usually involves the supplier carrying inventory;

"tender" means a written offer in a specified form received from a supplier in response to a public invitation to supply goods and/or services;

"total purchase price" means the sum of all invoice costs.

1.2 Interpretations

1.2.1 Words imparting the singular number or the masculine gender only, include more persons, parties or things of the same kind than one and females as well as males and the reverse.

1.2.2 Where an official of the Region is authorized to do any act pursuant to this by-law, such act may be done by such official's authorized delegate.

1.2.3 The headings contained in this by-law are for reference only.

1.2.4 Appendices "A," "B", "C" and "D" attached hereto are hereby incorporated in this by-law.

2. Policies

- 2.1 The Regional Municipality of Durham will acquire its goods, services and works without favoritism through the application of the highest standards of business ethics and ensure best value for the Region.
- 2.2 This by-law shall be applied and administered, having regard to the provisions of the Region's Budget Management Policy.
- 2.3 Vendor complaints shall be handled with consideration to fairness and equity for all participants involved. All vendor complaints, whether addressed to councillors or employees, shall be referred to the Purchasing Manager for resolution.
- 2.4 All objections to a recommendation for award must be in writing. The Purchasing Manager shall review the objection and determine, in consultation with the Region's Legal Department where necessary, whether the objection is material.
- 2.5 All complaints shall follow the Vendor Dispute Resolution Procedure.

3. Authority and responsibilities

- 3.1 The Commissioner of Finance is hereby given the responsibility of operating a centralized Purchasing Section on behalf of the Region in accordance with the requirements of this by-law. In carrying out this responsibility the Commissioner of Finance shall authorize the Purchasing Section to act on behalf of the Region in entering into contracts with third parties. The Purchasing Section of the Finance Department will therefore have the following specific responsibilities:
 - 3.1.1 The acquisition of goods and services including the leasing, rental or maintenance and support of such goods and services;
 - 3.1.2 The development and maintenance of a system of materials management and inventory control methods to maintain an adequate level of staple commodities to support and supply all Regional Departments;
 - 3.1.3 The disposal of goods, equipment, supplies, materials and salvage which has been declared surplus by the respective Department Head. When no other use can be found for same by other Regional Departments or other publicly funded bodies in the Region, surplus

material is to be disposed of by whatever means deemed appropriate by the Purchasing Section in order to minimize costs, reduce risks and realize the highest return for the Region;

- 3.1.4 The development of cooperative purchasing plans with other levels of government and other local agencies, where deemed beneficial to the Region;
- 3.1.5 The standardization of goods wherever possible;
- 3.1.6 The calling, opening and checking of tenders;
- 3.1.7 The development of detailed systems and procedures dealing with the acquisition, inventory control, and disposal of items detailed in this by-law;
- 3.1.8 The establishment of general terms and conditions used in tenders, proposals and purchase orders in conjunction with the Region's Solicitor.

3.2 Regional Boards or Commissions

- 3.2.1 Where the authority to enter into contracts for the purchase of goods or services has been delegated or assigned to a Regional Board or Commission either by council or by statute, such awards shall be made by the Board or Commission in accordance with the intent and provisions of this by-law, without the need for council approval.

4. Acquisition process

- 4.1 Each department of the Region shall submit to the Purchasing Section of the Finance Department, purchase requisitions for all applicable goods and services. All purchase requisitions will be authorized by the Department Head or their designate.
- 4.2 Where a non-repetitive requirement for goods or services is anticipated to have a total estimated purchase price less than \$10,000 and is not covered by a "standing agreement", departments have the choice of obtaining the requirements themselves using established procedures, or by submitting the requirements to the Purchasing Section of the Finance

Department who will obtain quotations. Departments must use the “standing agreements” established for specific goods and services.

- 4.3 Where a requirement for goods or services has an estimated total purchase price of \$10,000 or greater, or where the department expects to or requires making more than one purchase of a similar good or service which will result in a purchase price greater than \$10,000, the Purchasing Section shall: receive quotations, tenders, or proposals; conduct negotiations; evaluate bids; administer procedures; and recommend an award in accordance with the requirements of this by-law and established procedures.
- 4.4 The Purchasing Section shall issue a purchase order or initiate the appropriate contract form for the purchase of all applicable goods and services with an annual or project value greater than \$10,000.
- 4.5 The Purchasing Section may issue “standing agreements” or “contracts” for regularly required goods and services, which establish contract terms and conditions including a variety of pricing formulas.
- 4.6 Departments may release goods or services themselves directly from a supplier against a “standing agreement” which has been established in accordance with this by-law. Such releases are to be made in accordance with established procedures.
- 4.7 Those items listed in Appendix “B” are excluded from competitive bidding.

5. Quotations (\$10,000 up to \$100,000)

- 5.1 For purchases with an estimated annual total purchase price of \$10,000 and less than \$100,000, at least three written quotations shall be obtained by the department wherever possible. Such quotations shall be analyzed and the results tabulated by the department.
- 5.2 Where the quotation meeting specifications and offering the lowest overall cost to the Region is acceptable, an award shall be made, after consultation with the appropriate Department Manager.
- 5.3 The written quotations shall be attached to a purchase requisition when orders are ready to be placed and be saved by the department as per the Records Retention Policy. All orders require a purchase order to be issued by the Purchasing Section through the Region’s financial system.

- 5.4 Where the purchase requires the use of anything other than the Region's standard terms, conditions, or insurance, the Purchasing Section will conduct a more formal quotation process on behalf of the department to ensure best value for the Region.
- 5.5 All quotations shall be conducted using established procedures.

6. Tenders

- 6.1 For applicable purchases with an estimated total purchase price of \$100,000 or greater, tenders will be called. All such tenders are to be called, opened and awarded in accordance with established procedures, including the determination of tender irregularities included in Appendix "A".
- 6.2 The tender shall be advertised on the internet or issued to vendors on the "qualified suppliers" list.
- 6.3 The tender will be issued by the Purchasing Section. Bids will be received electronically, opened and results posted publicly on the Region's bidding website.
- 6.4 A bid Security should be used on all construction tenders and may be used on other tenders at the discretion of the Commissioner of Finance. The amount and form of the security must be satisfactory to the Commissioner of Finance.
- 6.5 Security to guarantee performance and payment should be used on all tenders for work considered an "improvement" under the Construction Act and may be used on other tenders at the discretion of the Purchasing Manager. The amount and form of such securities must be satisfactory to the Commissioner of Finance and meet the Construction Act requirements.
- 6.6 Where the tender meeting specifications and offering the lowest overall cost to the Region is acceptable, an award shall be made in accordance with Appendix "D".

7. Direct negotiations and limited tendering

- 7.1 Direct negotiations may be conducted through the Purchasing Section for emergencies as defined in section 11.0, or under the following conditions:

- 7.1.1 No tenders submitted or no suppliers requested participation.
 - 7.1.2 Where the lowest bid meeting specifications is excessive in total cost and/or substantially exceeds the estimated costs;
 - 7.1.3 Where all bids received fail to meet the specifications and/or tender terms and conditions;
 - 7.1.4 and provided that the requirements are not substantially modified from that in the tender that was issued.
 - 7.1.5 Award of the above negotiations, as well as negotiations for goods and services included in Schedule “B” (Exemptions from Competitive Procurement) will be awarded in accordance with Appendix “D”.
- 7.2 Limited tendering (sole/single source purchases)
- 7.2.1 Unless otherwise provided in this By-law, the requisitioning department in consultation with the Purchasing Manager or designate, may enter into negotiations with one or more vendors for the supply of goods or services for procurements described in Appendix “C” (Circumstances for Sole/Single Source). This must be done following established procedures.
 - 7.2.2 Departments must provide the Purchasing Section with valid justification for procurements described in Appendix “C”.
- 7.3 The business case must include all the pertinent facts that give rise to justifying the Single Source or Sole Source procurement and shall be conducted and awarded in accordance with Appendix “D”.

8. Consulting and professional services

- 8.1 Notwithstanding the provisions of this by-law, which cover the acquisition of goods and services, the acquisition of consulting and professional services shall be conducted in accordance with the provisions of this section (8).
- 8.2 Consulting and professional services will be acquired on a “quality-based selection” methodology rather than simply the lowest price. Established procedures must be followed and all consulting and professional

requirements are to be covered by a written agreement in a form and content satisfactory to the Commissioner of Finance.

- 8.3 Where the project or annual value of a consulting or professional service assignment is expected to be less than \$100,000, the initiating department shall obtain three proposals, where possible, and evaluate the submissions based on price and quality-based criteria. The highest scoring proposal shall be selected and a consulting agreement shall be prepared based on established procedures and executed in accordance with Appendix "D". The written proposals and the executed agreement shall be attached to a purchase requisition when orders are ready to be placed and be saved by the department as per the Records Retention Policy. All orders require a purchase order to be issued by the Purchasing Section through the Region's financial system.
- 8.4 Where the project or annual value of a consulting or professional service assignment is expected to be \$100,000 or greater, the initiating department shall:
- 8.4.1 Obtain written proposals through an RFP issued by the Purchasing Section; or
 - 8.4.2 Submit a report to council to obtain approval to acquire the services through a single/sole source negotiation conducted by the department in consultation with the Purchasing Manager or designate as per Section 8.2.

9. Proposals

- 9.1 Purchases may be made through the use of proposals in those specific situations where a product or service cannot be adequately specified. This would apply to highly technical products or specialty services.
- 9.2 Where it has been determined that proposals are to be used and the total purchase price is not greater than \$100,000, at least three written proposals shall be obtained using established procedures, by the Department Manager, wherever possible. The initiating Department shall analyze the proposals, tabulate the results and determine an award.

An award memo setting out the results and recommending an award shall

be submitted by the Requesting Department to the Department Director. The written proposals shall be attached to a purchase requisition when orders are ready to be placed and be saved by the Department as per the Records Retention Policy. All orders require a purchase order to be issued by the Purchasing Section through the Region's financial system.

9.3 Where it has been determined that proposals are to be used and the total purchase price is \$100,000 or greater, the following procedures shall apply:

9.3.1 A selection committee shall be established consisting of the initiating department representatives, and any other individual(s) who may have an interest or have appropriate expertise. The Purchasing Section shall facilitate the evaluation process.

9.3.2 A request for proposals shall be advertised publicly on the on the Region's bidding website and they shall be received up to the time appointed.

9.3.3 Proposals are to be issued, received, opened and checked for compliance by the Purchasing Section in accordance with the established procedures.

9.3.4 Proposals received shall be analyzed and evaluated by the selection committee and an award determined. An award memo setting out the results and recommending an award shall be submitted in accordance with Appendix "D". Purchasing shall make the award upon approval.

9.4 A summary report for information relating to the award of proposals shall be prepared and submitted to council on a semi-annual basis in accordance with Appendix "D".

10. Emergency purchases

Goods or services required to address an emergency shall be acquired by the Department declaring the emergency. The Purchasing Manager shall be notified of the emergency immediately. Where such emergencies occur outside of normal business hours, necessary purchases may be made by the appropriate Department Head or his authorized delegate, providing the Purchasing Manager

is notified of the subject purchase on the opening of the next business day. Should the purchase exceed \$100,000 a report for information is to be submitted to council, setting out the nature of the emergency and the necessity of the action taken pursuant to this clause. Such report shall be submitted to council semi-annually.

11. Acquisition of goods and services from government bodies

Tenders or quotations shall not be required for goods or services to be provided by Utilities, Provincial or Federal Agencies, Crown Corporations, Municipalities, etc., when similar goods or services are not available from other sources.

12. Co-operative purchasing

12.1 The Purchasing Manager may enter into arrangements with area municipalities, local boards and other public bodies or authorities on a co-operative or joint basis where there are economic advantages in so doing providing that under such arrangements:

12.1.1 The method of acquisition used is a competitive method similar to that described in this by-law; and

12.1.2 The awarding and reporting of such contracts are in accordance with Appendix "D" of this by-law and applicable laws and trade treaties.

13. Prequalification of suppliers

13.1 Where the Purchasing Manager has authorized the use of a prequalification process it must be conducted in accordance with established procedures.

13.2 The Purchasing Section will invite suppliers to apply for inclusion on such lists by publicly advertising the requirements through the Region's bidding website through a Request for Prequalification (RFPQ).

13.3 Award shall be made in accordance with Appendix "D" and established procedures.

14. Award and reporting procedures

14.1 Notwithstanding the award processes in Appendix "D", the Chief Administrative Officer (CAO) shall approve awards under the following circumstances and a semi-annual report shall be submitted to council for information:

14.1.1 Where other than the lowest compliant bid, meeting specifications, is recommended and the bid amount exceeds \$100,000;

14.1.2 Where the highest scoring proposal from a compliant bidder is not being recommended and the purchase is worth more than \$100,000.

15. Authority and forms of contract

15.1 The Department Manager may authorize the acquisition of goods or services worth up to \$10,000 by telephone or email and confirm the acquisition by a purchase requisition or other authorized means.

15.2 The Department Manager may authorize the release of goods or services against "standing agreements" set up in accordance with this by-law using established procedures.

15.3 All purchases shall be authorized by purchase order issued by the Purchasing Section, except in those situations noted below:

Where authorized by the Commissioner of Finance, Procurement Cards (PCards) may be used for purchases of low value (less than \$10,000) or contract releases. If PCards are authorized for specific purchases, the PCard Policy and Procedures must be followed.

15.4 When a formal contract is required rather than a Regional Purchase Order, a form of contract satisfactory to the Region's Solicitor shall be the form of commitment and shall be executed as per Appendix "D".

15.5 Contracts worth more than \$100,000 shall be executed in a form satisfactory to the Region's Solicitor;

15.6 The renewal of existing software licenses and support and maintenance agreements will be awarded without the requirement of council approval and will follow established procedures. Such single source purchases will

be executed and reported to council for information on an annual basis as per Appendix "D". In the case of contracts for capital projects, the Department Head may authorize additional payments for unforeseen work up to the limits set in the Budget Management Policy.

16. Prohibitions

16.1 Confidentiality

No employee, or any appointed or elected official, shall divulge the prices paid by or quoted to the Region for goods, works and/or services unless council may otherwise direct, except that the total price in the case of public tenders or the total bid price in the case of quotations may be revealed, as well as any prices included in public reports to committee and council.

16.2 Personal purchases

No personal purchase shall be made by the Region for elected members, or any appointed member of a Board or Commission or for Region employees, unless specifically authorized by the Council of the Regional Municipality of Durham.

16.3 Conflict of interest

No employee or elected official shall bid on the sale of goods except those disposed of by public auction and further, no employee working at or having responsibility for sending items to a public auction may bid on items sold at the auction.

16.4 Authority to contract

No employee or elected official shall purchase or offer to purchase on behalf of the Region except as may be provided for in this by-law.

16.5 Splitting requirements

No requirement for goods or services including consulting or professional services shall be divided to avoid the requirements of this by-law and the

total project or annual requirement shall be considered.

- 16.6 Any employee of the Region who knowingly contravenes this By-law is committing a serious act of misconduct. The Region reserves its right to take any action at law against the employee for the misconduct including without limitation, disciplinary action up to and including termination.

17. Legislation

- 17.1 This by-law is subject to any Federal or Provincial legislation and where there is a difference, the subject legislation shall govern.

This by-law is subject to all applicable trade agreements, including Chapter 5 of the Canadian Free Trade Agreement (CFTA), Chapter 19 of the Canada European Union: Comprehensive Economic and Trade Agreement (CETA) and Cooperation Agreement Between Ontario and Quebec.

18. Lobbying Restrictions

- 18.1 Suppliers, their staff members, or anyone involved in preparing a bid, shall not engage in any form of political or other lobbying whatsoever or seek to influence the outcome of the bid solicitation process or subsequent award. This restriction extends to all staff and anyone involved in preparing a bid solicitation or participating in a bid evaluation process, and members of council.
- 18.2 The Region may reject any bid by a Supplier that engages in such lobbying, without further consideration, and may terminate that Supplier's right to continue in the bid solicitation process.
- 18.3 During a bid solicitation process, all communications shall be made through the Purchasing Section. No Supplier or person acting on behalf of a Supplier or group of Suppliers, shall contact any elected official, consultant or any employee of the Region to attempt to seek information or to influence the Award.
- 18.4 Elected officials shall refer any inquiries about a bid solicitation process to the Commissioner of Finance.

19. Vendor performance

- 19.1 All contracted vendors must be managed by the contracting Department and performance of the vendor must be monitored and tracked in accordance with established procedures.
- 19.2 Vendors may be suspended from participating in future procurement processes for a specified period of time in accordance with the Region's Vendor Performance Evaluation Policy.
- 19.3 A Vendor suspended from participating in future procurement processes has the right to appeal that decision in accordance with the Vendor Dispute Resolution Process.

20. Sustainable acquisitions

- 20.1 In keeping with the Region's strategic priority of environmental sustainability and climate change, the Region acknowledges the responsibility of promoting sustainable objectives in a manner which includes consideration of social, environmental and economic factors. Departments will endeavour to include specifications in bid solicitations which encourage greater sustainability through consideration of the environmental and social repercussions and long-term impacts of each acquisition as well as consider climate change and environmental sustainability in establishing scoring and evaluation of Requests for Proposals. This will be done where practical and appropriate considering full lifecycle assessments, energy efficient products, reusable products and products that contain maximum recyclable content, accomplished through methods promoting minimum waste, without significantly affecting the intended use of the product or service.

21. Unsolicited proposals

- 21.1 Unsolicited proposals are proposals and/or communications from a vendor that have not been requested through the regular procurement process, advising the Region of their ability or desire to undertake Region requirements. Unsolicited proposals can be new or innovative ideas that could assist the Region in achieving its goals.

- 21.2 Region employees or members of council shall not accept an unsolicited proposal and/or communicate with respect to a potential unsolicited proposal. The vendor shall be advised to direct the unsolicited proposal to the Purchasing Section.
- 21.3 The Purchasing Section will direct the proposal to the appropriate Department Head and Commissioner of Finance, who will assess such proposals on the basis of whether they align with the Region's strategic goals and objectives, do not circumvent the Region's regular procurement processes, and the proposal's scale and scope aligns with the requirements and funding ability of the Region.
- 21.4 If it is determined that there is a legitimate need for the goods, services and/or construction offered by way of the unsolicited proposal and that funding is available, then the applicable acquisition process will be conducted in accordance with this by-law and any applicable policies and procedures.

22. Disqualification of bidders

- 22.1 For the purposes of this section, Bidder and Supplier shall be deemed to include any related entity and any partner, principal, director or officer of such Bidder or Supplier as well as any other legal entity with one or more of the same partner(s), principal(s), director(s) or officer(s).
- 22.2 The Region reserves the right, in its sole and absolute discretion, not to accept a bid from any Bidder and/or award a contract to any Bidder where one of the following circumstances has occurred within the last five years:
- a) the Bidder or Supplier is or has been involved in litigation with the Region, its elected officials, officers or employees;
 - b) the Bidder or Supplier has failed to pay an amount owed to the Region when due and owing;
 - c) there is documented evidence of poor performance, nonperformance or default by the Bidder or Supplier in respect to any Region contract, and the Bidder has been made aware of such performance problems in accordance with the Region's policies and procedures;
 - d) the Bidder or Supplier has withdrawn its bid on a previous bid solicitation after bids have been opened by the Region;

- e) the Bidder, Supplier or its personnel have demonstrated abusive behaviour or threatening conduct towards Region employees, their agents or representatives;
- f) the Bidder or Supplier has been convicted of any quasi-criminal offence pursuant to applicable legislation or regulations including but not limited to the Occupational Health and Safety Act, as amended, where the circumstances of that conviction demonstrate a disregard on the part of the Bidder or Supplier for the health and safety of its workers, Region employees or the general public.

22.3 In arriving at a determination for the disqualification of a Bidder or Supplier pursuant to this section, the Commissioner of Finance, in consultation with the Department Head and the Region's Solicitor, will consider whether the circumstances are likely to affect the Bidder or Supplier's ability to work with the Region, its consultants and representatives, and whether the Region's experience with the Bidder or Supplier indicates that the Region is likely to incur increased staff time and legal costs in the administration of any dealings with the Bidder or Supplier.

22.4 The Bidder or Supplier may appeal the decision in accordance with the Region's Vendor Dispute Resolution Process.

23. Innovation and pilot/testing/proof of concepts

23.1 In an effort to promote innovation within the Region, departments may identify the need to conduct a pilot, test, or proof of concept in order to determine if an innovative product or service is suitable for the Region or can provide improvement to existing services.

23.2 An approved short-term pilot, test, or proof of concept contract shall be awarded in accordance with Appendix "D" with the involvement of the Purchasing Section. The expenditure must be within an existing approved budget or council approval is required to award a contract.

24. By-law review

24.1 The Commissioner of Finance shall review the effectiveness of this By-law at least every five (5) years and report to council as necessary.

25. By-law repealed

25.1 By-law numbers 30-2013, 36-2014, 60-2008, 02-2009, 23-2012, 36-2014, 59-2003 and 41-2018 are hereby repealed.

This By-law Read and Passed on the ----th day of -----, 2020.

J. Henry, Regional Chair and CEO

R. Walton, Regional Clerk

Appendix "A" to By-law xx-xxxx

Tendering irregularities

Tender irregularities will be dealt with as specified below:

Irregularity	Response
Late bids	Late bids will not be accepted.
Qualified bids (bids qualified or restricted by an attached or added statement)	Automatic rejection where the qualification is deemed to be material, at the discretion of the Region's Solicitor
Bids received on documents other than those provided in the request	Automatic rejection unless allowed for in the request
<p>Bid Surety</p> <ol style="list-style-type: none"> 1. Bonding company missing when bid bond requested 2. Not provided or not in the form specified 3. Not in the amount specified 	<p>Automatic rejection.</p> <p>Automatic rejection</p> <p>Automatic unless the insufficiency is de minimus (trivial or insignificant).</p>
Part bids (all items not bid)	Automatic rejection, unless allowed for in the request

Appendix "A" to By-law xx-xxxx

Tendering irregularities

Tender irregularities will be dealt with as specified below:

Irregularity	Response
Bids containing minor clerical errors	Two working days to correct and initial errors. The Region reserves the right to waive initialing and accept tender.
Other mathematical errors which are not consistent with unit prices	Two working days to initial corrections as made by the Region. Unit prices shall govern and the tender will be corrected accordingly. The Region reserves the right to waive initialing and accept tender as corrected.
Failure to return the documents as specified	Where complete documents are specified, automatic rejection.
Tender documents which suggest that the tenderer has made a major mistake in calculations or tender	Decision will be on a case by case basis in consultation with the Legal Department
Withdrawal of bids	Withdrawal of bids received after the closing time will not be allowed

Appendix "A" to By-law xx-xxxx

Tendering irregularities

Tender irregularities will be dealt with as specified below:

Irregularity	Response
Tie bids	The Purchasing Manager may use one of the following methods of dealing with tied bids, based upon the specific situation: <ol style="list-style-type: none">1. Use a coin toss to select a recommended bid2. Request the tied bidders to submit new bids3. Negotiate with the tied bidders to break the tie
Substantial completion date is not as specified	Two working days to clarify the completion date. The Region reserves the right to waive the clarification of the completion date and accept the tender, or to reject the tender outright.

Appendix "B" to By-law xx-xxxx

The following items are excluded from the requirements of this By-Law and therefore no competitive bidding is required:

- 1.1 Petty cash
- 1.2 Training and education:
 - 1.2.1 Conferences, courses, conventions and seminars
 - 1.2.2 Magazines, books, periodicals
 - 1.2.3 Memberships
- 1.3 Refundable employee expenses:
 - 1.3.1 Advances
 - 1.3.2 Meal allowances
 - 1.3.3 Miscellaneous - non-travel
 - 1.3.4 Travel and entertainment
- 1.4 Employer's general expenses:
 - 1.4.1 Payroll deduction remittances
 - 1.4.2 Medicals
 - 1.4.3 Licenses (vehicle, firearms, etc.)
 - 1.4.4 Debenture payments
 - 1.4.5 All insurance premiums, payments related to insurance claims, adjusting fees, actuarial services and risk management (pertaining to the Durham Municipal Insurance Pool only).
 - 1.4.6 Grants to agencies
 - 1.4.7 Employee benefit payments and premiums
 - 1.4.8 Building lease payments
 - 1.4.9 Tax remittances
 - 1.4.10 Regional charges to and from area municipalities
 - 1.4.11 Sinking fund payments
 - 1.4.12 Advertising
- 1.5 Professional and special services:

- 1.5.1 Committee fees
 - 1.5.2 Counselling services
 - 1.5.3 Homemakers services
 - 1.5.4 Laboratory services
 - 1.5.5 Nursing services
 - 1.5.6 Payment to social agencies for purchased services
 - 1.5.7 Funeral homes, doctors, dentists
 - 1.5.8 Temporary help
 - 1.5.9 Banking and underwriting services where covered by agreements
 - 1.5.10 External auditor fees
 - 1.5.11 Goods and services received by welfare recipients
 - 1.5.12 Workers compensation payments
 - 1.5.13 Meter reading services
 - 1.5.14 Legal services
 - 1.5.15 Receivers and bankruptcy trustees
 - 1.5.16 Rail crossing agreements
- 1.6 Utilities:
- 1.6.1 Postage
 - 1.6.2 Water
 - 1.6.3 Hydro
 - 1.6.4 Gas
- 1.7 The acquisition of real property

Appendix "C" to By law xx-xxxx

Circumstances for sole/single source purchases

Note: this list of when limited tendering is permitted is exhaustive.

- 1.1 Permitted if the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:
 - Work of art
 - Protection of patents, copyrights or other exclusive rights
 - Due to an absence of competition for technical reasons
 - Controlled by a supplier that is a statutory monopoly
 - To ensure compatibility with existing goods, or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative
 - Work performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work
 - Work performed on leased building or related property, or portions thereof, that may be performed only by the lessor
 - Subscriptions of newspapers, magazines, or other periodicals
- 1.2 Permitted for additional deliveries by original supplier for goods/services not included in initial procurement if a change of supplier cannot be made due to interchangeability/interoperability with existing goods/services from initial procurement **and** would cause significant inconvenience or substantial duplication of costs
- 1.3 Extreme urgency
- 1.4 Commodity market
- 1.5 Mass production of prototype that was developed for the Region
- 1.6 Exceptionally advantageous conditions that arise in very short term, but not for routine purchases e.g. liquidation, receivership or bankruptcy
- 1.7 Winner of a design contest
- 1.8 Procurement is confidential or privileged in nature and disclosure through open process would compromise government confidentiality, waive privilege, cause economic disruption, and be contrary to the public interest

Appendix "D" to By law xx-xxxx

Estimated procurement value (Canadian funds, exclusive of taxes)	Award approval authority	Authority to execute contracts (only required if another form of Agreement is used other than a purchase order issued by the Purchasing Section)
Low dollar value procurements Up to \$10,000	Department Manager or Authorized Delegate	Department Manager
Request for quotations \$10,000 to \$99,999	Department Manager or Authorized Delegate (FIMS Approver)	Commissioner of Finance
Request for proposals (including consulting) \$10,000 to \$99,999	Department Manager	Department Director Amendments may be executed by the Department Director when within the BMP limits. When above, Commissioner of Finance will execute and council report for information provided

Appendix "D" to By-law xx-xxxx

Estimated procurement value (Canadian funds, exclusive of taxes)	Award approval authority	Authority to execute contracts
Request for tenders Request for proposals \$100,000 to \$999,999	Department Director and Director of Financial Planning and Purchasing	Commissioner of Finance
Request for tenders Request for proposals \$1,000,000 and greater (including negotiated RPFs)	Department Head and Commissioner of Finance	Commissioner of Finance
Direct negotiations Where Purchasing conducted a competitive bid and: no bids were received, no bids met the specifications or terms, or all bids were over budget	Department Head and Commissioner of Finance	Commissioner of Finance
By-Law exempt as per Appendix 'B'	Department Director and Director of Financial Planning and Purchasing	Department Director

Appendix "D" to By-law xx-xxxx

Estimated procurement value (Canadian funds, exclusive of taxes)	Award approval authority	Authority to execute contracts
<p>Non-competitive Procurements (single/sole source)</p> <p>Up to but not including \$100,000</p>	<p>Department Director and Director of Financial Planning and Purchasing</p>	<p>Commissioner of Finance</p>
<p>Non-competitive procurements (single/sole source)</p> <p>\$100,000 and greater</p>	<p>Council</p>	<p>Commissioner of Finance</p>
<p>Emergency procurements</p> <p>\$10,000 to \$99,999</p>	<p>Department Director</p>	<p>Department Director</p>
<p>Emergency Procurements</p> <p>\$100,000 and greater</p>	<p>Department Head</p>	<p>Commissioner of Finance with information report to council</p>
<p>All procurement methods resulting in an irregular result</p>	<p>CAO</p>	<p>Commissioner of Finance with information report to council</p>

Purchasing by-law XXXX summary of purchasing policies and procedures

Procurement value	Procurement	Applicable section of Purchasing By-law	Award approval authority
Overall policies covering purchasing		2.0 Policies 3.0 Authority and Responsibilities	
Purchases up to \$10,000 → No applicable standing agreement (contract)	Low dollar purchases Purchase Order or PCard	4.0 Acquisition Process	Department Manager or authorized delegate after purchase has been made by staff
Releases against standing agreements (contracts), unlimited value Goods or services where an applicable standing agreement (contract) exists	Contract releases as a result of a competitive bid conducted by Purchasing Purchase Order or PCard	4.0 Acquisition process.	Department Manager or authorized delegate

Purchasing by-law XXXX summary of purchasing policies and procedures

Procurement value	Procurement	Applicable section of Purchasing By-law	Award approval authority
<p>Purchases from \$10,000 up to \$100,000 No applicable standing agreement (contract).</p>	<p>Quotations Purchase Order</p>	<p>5.0 Quotations.</p>	<p>Department Manager or authorized delegate</p>
<p>Request for proposals of suppliers less than \$100,000 No applicable standing agreement (contract) Within approved budget</p>	<p>Proposals (RFP) Purchase Order (and formal agreement if necessary)</p>	<p>9.0 Proposals</p>	<p>Department Manager and designated official</p>

Purchasing by-law XXXX summary of purchasing policies and procedures

Procurement value	Procurement	Applicable section of Purchasing By-law	Award approval authority
<p>Purchases \$100,000 and greater</p> <p>No applicable standing agreement (contract), Within approved budget</p>	<p>Tenders and proposals, prequalifications</p> <p>Purchase Order (and formal agreement if necessary)</p>	<p>6.0 Tenders</p> <p>8.0 Consulting and professional services</p> <p>9.0 Proposals</p> <p>13.0 Prequalification of suppliers</p>	<p>Department Director and Director of Financial Planning and Purchasing</p> <p>Department Head, Commissioner of Finance >\$1,000,000</p>
<p>Consulting and professional services less than \$100,000</p> <p>No applicable standing agreement (contract)</p>	<p>Informal request for proposals single/sole source negotiations</p> <p>Purchase Order and consulting agreement</p>	<p>8.3 Consulting and professional services</p> <p>7.2 Limited tendering</p>	<p>Department Manager</p>

Purchasing by-law XXXX summary of purchasing policies and procedures

Procurement value	Procurement	Applicable section of Purchasing By-law	Award approval authority
<p>Direct negotiations Where a competitive bid was conducted but cannot be awarded</p>	<p>Direct negotiations Where a bid was issued and no bids received, all over the budget value, or all bids fail to meet the specifications</p>	<p>7.1 Direct negotiations</p>	<p>Department Head and the Commissioner of Finance</p>
<p>Single/sole source purchase Less than \$100,000 Where no competitive bid conducted, no current contract/standing agreement exists</p>	<p>Single/sole source purchases</p>	<p>7.2 Limited tendering</p>	<p>Greater than \$40,000 Dept Head, Commissioner of Finance Less than \$40,000 the Dept Manager and the designated official</p>

Purchasing by-law XXXX summary of purchasing policies and procedures

Procurement value	Procurement	Applicable section of Purchasing by-law	Award approval authority
<p>Single/sole source purchases \$100,000 and greater</p> <p>Where no competitive bid conducted, no current contract/standing agreement exists</p>	<p>Single/sole source purchases</p>	<p>7.2 Limited tendering</p>	<p>Council approval is required for award</p> <p>Negotiations may be conducted prior to council approval with the single/sole source form approved by the Dept Head and Commissioner of Finance.</p>
<p>Emergencies</p> <p>No applicable standing agreement (contract)</p>	<p>Direct purchase/negotiations</p>	<p>10.0 Emergencies</p>	<p>Declared by Department Head to the Purchasing Manager</p> <p>Greater than \$100,000 reported to council through Information Report</p>

Purchasing by-law XXXX summary of purchasing policies and procedures

Procurement value	Procurement	Applicable section of Purchasing By-law	Award approval authority
Acquisition of goods and services from Government Bodies	Direct purchase/negotiations	11.0 Acquisition of goods and services from government bodies	Purchasing
Recommended bidder not awarded and value is \$100,000 and greater Competitive bidding award process not followed	Tenders, proposals, pre-qualifications	14.0 Awarding and reporting procedures	CAO approval is required by the requesting department if: The lowest bid meeting specifications is not recommended, or the highest scoring proposal is not recommended, or Financing is not in place (Budget Management Policy)

Purchasing by-law XXXX summary of purchasing policies and procedures

Procurement value	Procurement	Applicable section of Purchasing By-law	Award approval authority
Authority to execute contracts and the forms of contracts to be used	Signing of contracts	15.0 Authority and forms of contract	In accordance with Appendix 'D'
Restrictions	Confidentiality and conflict of interest	16.0 Prohibitions	n/a
Tender irregularities	Appendix 'A' tender irregularities	Appendix 'A' tender irregularities	n/a
Goods and service excluded from the by-law (competitive bidding not required)	Direct purchase/negotiations	Appendix 'B' items excluded from the by-law	In accordance with Appendix 'D'

SUMMARY OF PROPOSED CHANGES TO THE PURCHASING BY-LAW

	Current By-Law #68-2000 Provision	Recommended By-Law (2020) Provision
Requests for Proposals (RFPs)	<ul style="list-style-type: none"> • Council approval is required for award of RFPs with a value greater than \$125,000 • All RFPs must be conducted by the Purchasing Section of the Finance Department 	<ul style="list-style-type: none"> • Award of RFPs will no longer require Council approval where established procedures have been followed and award is being recommended to the highest scoring proponent • RFPs with a value less than \$100,000 maybe conducted by the departments through a non-binding process to allow process efficiencies
Consulting Agreements	<ul style="list-style-type: none"> • Consulting Agreements with a value up to \$60,000 may be selected without competition directly by the departments • Execution of Consulting Agreements must be done by the Commissioner of Finance 	<ul style="list-style-type: none"> • Consulting Agreements up to \$100,000 may be obtained by the dept after requesting informal proposals from up to three or more consultants and selecting the appropriate proposal • Execution of these agreements may be done by the department based on Appendix 'D'
Requests for Quotations	<ul style="list-style-type: none"> • Informal Quotations up to \$40,000 may be done through informal quotation process by the dept and awarded by purchasing • Formal quotations up to \$125,000 are conducted by Purchasing and awarded by Purchasing 	<ul style="list-style-type: none"> • Quotation limits have been increased to \$100,000 • All quotations less than \$100,000 may be conducted by departmental staff through an informal process and awarded by departments based on Appendix 'D' to provide greater efficiency for lower value purchases
Low Value Purchases	<ul style="list-style-type: none"> • Departments are able to purchase goods and services less than \$5,000 without competition by issuance of a purchase order if no standing agreement exists and the 	<ul style="list-style-type: none"> • The limit for low value purchases is being increased to \$10,000 where there is no standing agreement and the purchase is not repetitive in nature

SUMMARY OF PROPOSED CHANGES TO THE PURCHASING BY-LAW

	purchase is not repetitive in nature	<ul style="list-style-type: none"> The PCard is being introduced to allow for greater efficiency
Emergency Purchases	<ul style="list-style-type: none"> Emergencies are declared by the Dept Head Emergencies greater than \$25,000 are provided in an Information Report to Council quarterly 	<ul style="list-style-type: none"> Emergencies are declared based on Appendix 'D' Emergencies greater than \$100,000 are provided in an Information Report to Council quarterly
Exemptions	<ul style="list-style-type: none"> Exemptions in the by-Law allow for certain purchases to be made without competitive bidding 	<ul style="list-style-type: none"> Exceptions were updated where appropriate
Sustainable Acquisitions	<ul style="list-style-type: none"> By-law contains a broad statement related to environmentally sound purchases 	<ul style="list-style-type: none"> Updated to align with corporate policies related to sustainability
Unsolicited Proposals	<ul style="list-style-type: none"> Silent in current By-Law 	<ul style="list-style-type: none"> Provides guidance on how the corporation will handle unsolicited proposals to ensure fairness and transparency
Vendor Performance	<ul style="list-style-type: none"> Silent in current By-Law. Currently addressed through internal processes 	<ul style="list-style-type: none"> Allows for the implementation of a vendor performance procedure to ensure the Region is receiving value for money throughout the contract term
Disqualifying of Bidders	<ul style="list-style-type: none"> Silent in current By-Law. Currently addressed through internal processes 	<ul style="list-style-type: none"> Provides the Region the ability to disqualify bidders based specific, defensible rationale to ensure value for money.
Innovation and Pilot Testing/Proof of Concepts	<ul style="list-style-type: none"> Silent in current By-Law 	<ul style="list-style-type: none"> Provides the ability for the Region to test products that are innovative and require a pilot phase without circumventing best practices of fairness and transparency and to ensure best value
Lobbying Restrictions	<ul style="list-style-type: none"> Silent in current By-Law 	<ul style="list-style-type: none"> Defines that restrictions on vendors ensure fairness during the procurement process.



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2020-F-08
Date: March 10, 2020

Subject:

Confirmation of the Region's Triple "A" Credit Rating by S&P Global Ratings

Recommendation:

That the Finance and Administration Committee recommends:

That this report be received for information.

Report:

1. Purpose

1.1 The purpose of this report is to inform the Finance and Administration Committee and Regional Council of S&P Global Ratings' confirmation of the Region's Triple "A" Credit Rating.

2. Background

2.1 On January 27, 2020, staff of the Region's Finance Department met with representatives of S&P Global Ratings (S&P) to review the credit fundamentals of the Regional Municipality of Durham and their impact on the Region's Triple "A" credit rating.

2.2 Based upon their recent review, S&P affirmed the Region's Triple "A" credit rating with stable outlook in a report released on February 12, 2020. According to S&P, the key pillars of the Triple "A" rating are Durham's very strong financial management, supportive liquidity position and well-balanced institutional framework. Durham Region is one of eight municipalities in Canada currently maintaining a Triple "A" credit rating with stable outlook by S&P.

3. Highlights of Durham's Major Credit Strengths as Identified by S&P

- 3.1 S&P ratings on local and regional governments are based on eight rating factors. Durham has achieved the highest score available on key rating factors, such as financial management, budgetary performance, liquidity and debt burden.
- 3.2 According to S&P, Durham's credit profile benefits from very strong financial management policies and Regional Council's continued commitment to long-term financial planning.

"Durham has very strong financial management. The administration is experienced and works with the region's council to enact policies and undertakes long-term financial planning to achieve fiscal sustainability."

- 3.3 Adherence to the Region's long-standing financial policies and the development of strategic financial reviews and forecasts enable Regional Council priorities, with phased and affordable impacts to property taxes and user rates.

"Annual user rate and property tax-supported service and financing studies underpin Durham's well-established long-term financial planning process to allow the region to meet fiscal challenges. In addition, the region has a long-established asset management program."

- 3.4 The Triple "A" rating by S&P for Durham is supported by the Region's financial planning framework approach, which includes the use of evidence-based decision-making, where applicable. For example, the business case approach for major capital evaluations and program changes utilizes the assessment of risk to ensure understanding of long-term financial implications to support Council's decision-making. S&P recognizes that this framework incorporates financial tools and policies that support long-term financial capacity, stability and flexibility to accommodate Council's strategic priorities. This serves as best practice, ensuring the Region is able to meet expenditures and financial obligations, while keeping debt levels very manageable.

"We believe Durham has systems in place to monitor expenditures and has a demonstrated culture of controlling costs. We also view its debt and liquidity policies as prudent. Examples include the region's "growth-pays-for-growth" development policy and its "pay-as-you-go" financing policy."

- 3.5 S&P also recognizes Durham's diversified local economy as a key credit strength. Although the recent closure of operations at General Motors of Canada's Oshawa assembly plant will have impacts for the local economy over the short-term, strong employment growth in other sectors may mitigate those impacts.

"Durham's exposure to the manufacturing sector has declined and we expect that its well-diversified economy will be able to absorb the job losses, with only a temporary impact on economic growth. Growth in the health care and education sectors is strong, with a number of expansions across the region, and we expect both residential and non-residential development will remain healthy in the medium term."

- 3.6 However, the agency also provided words of caution for Durham, given an expanding capital program over the forecast period to address growth-related needs and potential negative shocks to the economic environment.

"Although unlikely in the next two years, we could take a negative rating action if, for instance, a major economic or other external shock caused revenue growth to persistently lag that of expenditures ..."

"Additional capital spending and related issuance will maintain pressure on fiscal results and increase debt levels, although both will remain manageable through 2022."

4. Conclusion

- 4.1 Maintaining this Triple "A" credit rating is an important achievement for the Region. The Region's exemplary fiscal results are achieved and maintained through Regional Council's long-standing commitment to long-term financial planning. The disciplined approach to long-term financial planning are guided by the principles of fiscal sustainability, financial flexibility and tax payer affordability.

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer