



Office of the Commissioner
Finance Department

MEMORANDUM

To: Members of Committee of the Whole

From: Jason Li, CPA, CA
Acting Commissioner of Finance and Regional Treasurer

Date: October 29, 2021

Re: Update to Council on the enactment of the Region's new Procurement Bylaw

This memorandum provides Council with an update on the enactment of the new Regional Procurement Bylaw (the "new Bylaw"), to reflect revisions resulting from a review of Bylaw 2017-30 (the "current Bylaw"). Revisions to the current Bylaw were required to ensure legislative compliance with domestic and international Trade Agreements, and to help facilitate modernization of the Region's procurement processes. Both this memorandum and the new Bylaw will be part of the November 25th Council agenda, with the Bylaw enactment coming into full effect January 1, 2022.

Section 20.1 of the current Bylaw requires that the Bylaw be reviewed and evaluated for effectiveness at least once during every term of Council

Since January 2019, the Procurement Office has been working in close partnership with Legal Services and external legal counsel to review the current Bylaw and to make recommendations for amendments. A [report](#) confirming direction on the new Bylaw was considered by Council on January 23, 2020. The new Bylaw was scheduled to be enacted by Council in March 2020 and released to the organization in April 1, 2020. Due to the Region's COVID-19 response, the release of the new Bylaw was deferred and will now be enacted by Council in November 2021 with an in-effect date of January 1, 2022.

Procurement Office led a consultation process with members of the Region's Community of Practice for Procurement Standards (COPPS)

In addition to the collaborative development of the new Bylaw with Legal Services and external legal counsel, the Procurement Office led dedicated workshops and an extensive

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two month long virtual consultation in 2019, with the participation of over 70 members of the Region's Community of Practice for Procurement Standards. The consultation resulted in over 130 comments and suggestions for improvements of the current Bylaw.

Ten key Bylaw revisions had been tabled to and approved by Council on January 23, 2020

The recommendations brought forward through this review proposed several key revisions which bring the new Bylaw into compliance with previously enacted Trade Agreements and in line with the purchasing bylaws of comparable municipalities.

1. Threshold for an open competitive procurement process is decreasing from \$150,000 to \$100,000, in compliance with Trade Agreements
2. New Bylaw establishes a Procurement Review Committee (PRC) to replace the current Bid Review Committee, providing compliance, oversight, and risk management, including approval of individual scope increases over \$1 million
3. New Bylaw introduces the concepts of standard and non-standard procurements, providing a streamlined and standardized structure for different procurement types
4. New Bylaw provides more rigour for low dollar value procurements, introducing a new model for Requests for Quotations (RFQs) up to \$100K
5. Requirement for Council approval to award contracts resulting from Requests for Proposals (RFPs), where the cost exceeds \$2 million, shifts to the CAO, promoting administrative efficiencies
6. Contract renewal authorization shifts from the CAO to Commissioners, even if the total cost exceeds the Commissioner's approval authority, as long as the contract was awarded in accordance with the new Bylaw
7. A Schedule of Exclusions is being reinstated, allowing for greater flexibility to meet the Region's business needs while maintaining compliance with the new Bylaw
8. New Supplier Suspension Protocol replaces the current Litigating Bidder Prohibition, and sets out the process for suspending suppliers from participation in the Region's procurement processes based on the decision of the PRC and automatically, in compliance with Trade Agreements
9. New Bylaw supports social and community benefits in procurements, to leverage procurement dollars already spent, enabling additional physical, social, economic, and environmental benefits for local communities and residents.

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10. New protocols have been established to support the interpretation of the new Bylaw, helping to modernize current Regional procurement practices and processes

The new Bylaw will continue to support the Region's financial objectives and support co-operative purchasing opportunities

Financial objectives of obtaining goods and services that reflect the purposes, goals and objectives of the current Bylaw to provide best value-for-money for the Region, will continue to be supported in the new Bylaw, including through co-operative purchasing opportunities with local municipalities, other public agencies, and internal multi-departmental collaborative procurements.

The organization will be supported in the transition to the new Bylaw coming into effect January 2022

The Procurement Office will provide organization wide training and change management support to internal staff and suppliers, to ensure a successful transition.



Jason Li, CPA, CA
Acting Commissioner of Finance and Regional Treasurer



Bruce Macgregor
Chief Administrative Officer

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