

Agenda Including Addeds

Corporate Services Committee

3rd Meeting of the Corporate Services Committee

January 31, 2022, 12:00 PM

Virtual Meeting during the COVID-19 Emergency

Please check the City website for current details of COVID-19 service impacts.

Meetings can be viewed via live-streaming on YouTube and the City website

Members

Councillors S. Lewis (Chair), M. Cassidy, J. Morgan, M. Hamou, J. Fyfe-Millar, Mayor E. Holder

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6.1. Solicitor-Client Privileged Advice / Litigation/Potential Litigation	
A matter pertaining to advice that is subject to solicitor-client privilege, including communications necessary for that purpose, in connection with the purchase of property and settlement of all potential claims located at	

220 Wellington Road South, London; potential litigation with respect to claims by A Team London Inc. in respect of property located at 220 Wellington Road South, London; and directions and instructions to officers and employees or agents of the municipality regarding settlement negotiations in connection with the potential purchase of a property located at 220 Wellington Road South, London.

6.2. Solicitor-Client Privileged Advice

A matter pertaining to advice subject to solicitor-client privilege, including communications necessary for that purpose, and advice with respect to litigation with respect to various personal injury and property damage claims against the City.

6.3. Personal Matters/Identifiable Individual

A matter pertaining to an identifiable individual; employment-related matters; advice or recommendations of officers and employees of the Corporation, including communications necessary for that purpose and for the purpose of providing instructions and directions to officers and employees of the Corporation.

7. Adjournment

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee

From: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Subject: Banking Services By-laws – Amendments due to Appointment of New City Clerk

Date: January 31, 2022

Recommendation

That on the recommendation of the Deputy City Manager, Finance Supports, the following actions BE TAKEN with respect to various By-Law amendments to implement organizational changes:

- a) The proposed attached by-law (Appendix “A”), being “A by-law to amend By-Law A.-7955-83, entitled “A by-law to authorize the Mayor and City Clerk to execute the Resolution Regarding Banking and the Master Client Agreement for Business Client Authorization and any contract or document with the Royal Bank relating to the Ontario Works Royal Bank of Canada Right Pay Reloadable Payment Card Program and to authorize the signing of cheques and the withdrawal or transfer of funds” to reflect the current organizational structure”, BE INTRODUCED at the Municipal Council meeting to be held on February 15, 2022;
- b) The proposed attached by-law (Appendix “B”), being “A by-law to amend By-Law A.-8047-15, entitled “A by-law to approve an Amending Agreement between the Bank of Nova Scotia and the Corporation of the City of London”, BE INTRODUCED at the Municipal Council meeting to be held on February 15, 2022.

Executive Summary

As a result of the recently approved appointment of Michael Schulthess as City Clerk, the following two By-laws require amendment to ensure that they reflect this change.

By-Law A.-7955-83 governs the Royal Bank Client Services Agreement for the Ontario Works reloadable bank card program. The agreement lists all individuals with signing authorization under this agreement.

By-law A.8047-15 governs the banking services agreement between the City of London and the Bank of Nova Scotia who is out current banking service provider.

Linkage to the Corporate Strategic Plan

Council’s 2019-2023 Strategic Plan for the City of London (the “City”) identifies “Leading in Public Service” as a strategic area of focus. Continuing to ensure the strength and sustainability of London’s finances is a strategy to maintain London’s finances in a well-planned manner to balance equity and affordability over the long term.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Corporate Services Committee, November 22, 2021, Item 2.4, Signing Authority and Banking Services by-laws – Amendments due to Corporate Restructuring
- Corporate Services Committee, October 12, 2021, Item 4.1, Filling Vacancies on Municipal Council
- Corporate Services Committee, August 30, 2021, Item 2.3, Various By-law Amendments to Implement Organizational Structural Change
- Corporate Services Committee, December 14, 2020, Item 2.2, Financial Banking Services and Commercial Card Agreements – Agreement Extension
- Corporate Services Committee, March 9, 2020, Item 4.4, Resolution Regarding Banking Ontario Works Royal Bank of Canada Right Pay Reloadable Payment Card Program Agreement (Relates to Bill No. 114)
- Corporate Services Committee, November 15, 2016, Item # 3, Signing Authority By-Law

2.0 Discussion and Considerations

2.1 Background

As a result of recently approved appointment of Michael Schulthess as City Clerk, municipal By-law A.-8198-26; banking services agreements by-laws require amendment. The Royal Bank and Bank of Nova Scotia by-laws are recent and required minor amendments.

The following changes have been made to the Royal Bank Reloadable Payment Card By-law A.-7955-83:

- On page two of the Resolution Regarding Banking; Catharine Saunders has been replaced with Michael Schulthess as City Clerk
- On page one and page six of the Master Client Agreement for Business Clients Signature Card; Catharine Saunders has been replaced with Michael Schulthess as City Clerk

The following changes have been made to Bank of Nova Scotia Banking Services By-law A.-8047-15:

- On page one of the Certificate (Schedule I of this By-law); Catharine Saunders has been replaced with Michael Schulthess as City Clerk

Conclusion

Given recent changes, both administratively and with elected officials, it is important that the City's signing authority by-law, banking agreements and accompanying schedules are current, and reflective of the organization.

Prepared by: Melissa McErlain, Manager of Accounting
Submitted by: Ian Collins, Director, Financial Services
Recommended by: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Attachments Appendix A
 Appendix B

APPENDIX "A"

Bill No.
2022

By-law No. A.-7955-83-

A by-law to amend By-law A.-7955-83, "a bylaw to authorize the Mayor and City Clerk to execute the Resolution Regarding Banking and the Master Client Agreement for Business Client Authorization and any contract or document with the Royal Bank relating to the Ontario Works Royal Bank of Canada Right Pay Reloadable Payment Card Program and to authorize the signing of cheques and the withdrawal or transfer of funds"

WHEREAS subsection 5(3) of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 8 of the Municipal Act, 2001 provides that powers of a municipality shall be interpreted broadly so as to confer broad authority on a municipality to govern its affairs as it considers appropriate and to enhance the municipality's ability to respond to issues;

AND WHEREAS section 9 of the Municipal Act, 2001 provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10(1) of the Municipal Act, 2001 provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS section 287 of the *Municipal Act*, 2001 as amended, provides that the City may provide that signatures on a cheque of the City be mechanically or electronically produced;

AND WHEREAS the Corporation of the City of London is a delivery agent designated by the Minister of Community and Social Services to administer the Ontario Works Act, 1997;

AND WHEREAS the Ministry, as part of the Social Assistance Modernization Strategy, has implemented a reloadable payment card program for Ontario Works clients;

AND WHEREAS it is appropriate to authorize the Mayor and City Clerk to certify and execute the Resolution Regarding Banking on behalf of The Corporation of the City of London;

AND WHEREAS it is appropriate to authorize the Mayor and City Clerk to execute the Master Client Agreement for Business Clients Authorization;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Resolution Regarding Banking attached as Schedule 1 to By-law A.-7955-83, “a bylaw to authorize the Mayor and City Clerk to execute the Resolution Regarding Banking and the Master Client Agreement for Business Client Authorization and any contract or document with the Royal Bank relating to the Ontario Works Royal Bank of Canada Right Pay Reloadable Payment Card Program and to authorize the signing of cheques and the withdrawal or transfer of funds” is deleted and replaced by the Resolution Regarding Banking attached as Schedule 1 to this bylaw, which is hereby approved.
2. The Mayor and City Clerk are authorized to certify and execute the Resolution Regarding Banking authorized and approved under section 1 of this by-law.
3. The Master Client Agreement for Business Client Authorization attached as Schedule 2 to By-law A.-7955-83, “a bylaw to authorize the Mayor and City Clerk to execute the Resolution Regarding Banking and the Master Client Agreement for Business Client Authorization and any contract or document with the Royal Bank relating to the Ontario Works Royal Bank of Canada Right Pay Reloadable Payment Card Program and to authorize the signing of cheques and the withdrawal or transfer of funds” is deleted and replaced by the Master Client Agreement for Business Client Authorization attached as Schedule 2 to this bylaw, which is hereby approved.
4. The Mayor and City Clerk are authorized to execute the Master Client Agreement for Business Client Authorization approved under section 3 of this bylaw.

This bylaw shall come into force and effect on the day it is passed.

PASSED in Open Council on February 15, 2022

Ed Holder
Mayor

Michael Schulthess
City Clerk

First Reading – February 15, 2022
Second Reading – February 15, 2022
Third Reading – February 15, 2022



Resolution Regarding Banking

For use by Cities, Towns, Villages, Municipalities, Hospitals, Regional Health Authorities, School Districts, Divisions and Regional Divisions, Self-Governed First Nations, and Treaty Nations

SRF No.: 341432003

Legal Name: THE CORPORATION OF THE CITY OF LONDON (the "Customer")

Address: 300 DUFFERIN AVE LONDON ON N6A4L9

RESOLVED:

1. THAT ROYAL BANK OF CANADA ("Royal Bank") is appointed banker for the Customer.

2. THAT INSTRUMENTS: SEE SCHEDULE A

FOR AGREEMENTS AND CREDIT : THE MAYOR AND CITY CLERK TO SIGN JOINTLY

are authorized on behalf of the Customer from time to time:

- (a) to withdraw or order transfers of funds from the Customer's accounts by any means including the making, drawing, accepting, endorsing or signing of cheques, promissory notes, bills of exchange, other orders for the payment of money or other instruments or the giving of other instructions;
- (b) to sign any agreements or other documents or instruments with or in favour of Royal Bank, including agreements and contracts relating to products or services provided by Royal Bank to the Customer; and
- (c) to do, or to authorize any person or persons to do, any one or more of the following:
 - (i) to receive from Royal Bank any cash or any securities, instruments or other property of the Customer held by Royal Bank, whether for safekeeping or as security, or to give instructions to Royal Bank for the delivery or other transfer of any such cash, securities, instruments or other property to any person named in those instructions;
 - (ii) to deposit with or negotiate or transfer to Royal Bank, for the credit of the Customer, cash or any security, instrument or other property, and for those purposes to endorse (by rubber stamp or otherwise) the name of the Customer, or any other name under which the Customer carries on business, on any security or instrument;
 - (iii) to instruct Royal Bank, by any means, to debit the accounts of third parties for deposit to the credit of the Customer; and
 - (iv) to receive statements, instruments and other items (including paid cheques) and documents relating to the Customer's accounts with or any service of Royal Bank, and to settle and certify the Customer's accounts with Royal Bank.

3. That all instruments, instructions, agreements (including contracts relating to products or services provided by Royal Bank) and documents made, drawn, accepted, endorsed or signed (under the corporate seal or otherwise) as provided in this Resolution and delivered to Royal Bank by any person, shall be valid and binding on the Customer, and Royal Bank is hereby authorized to act on them and give effect to them.

(Where possible, use titles only. If two or more must act together, use words showing joint action required, e.g. "the Mayor and the Treasurer jointly" or "the Mayor, the Treasurer and the Secretary or any two of them". If one of two or more may act alone, add "or any one of them.")

Please do not write in this area

01-001-380-201906-02-341432003--0102



4. That Royal Bank be furnished with:

(a) a copy of this Resolution; and

(b) a list of the names of the persons authorized by this Resolution to act on behalf of the Customer, and with written notice of any changes which may take place in such list from time to time, and with specimens of the signatures of all such persons;

each certified by the (1) MAYOR

and (2) CITY CLERK of the Customer; and

(c) in writing, any authorization made under paragraph 2(c) of this Resolution.

5. That any document furnished to Royal Bank as provided for in paragraph 4 of this Resolution shall be binding upon the Customer until a new document repealing or replacing the previous one has been received and duly acknowledged in writing by the branch or agency of Royal Bank where the Customer has its account.

CERTIFICATE

We hereby certify that the above is a true copy of a resolution passed at a meeting of the

COUNCIL

(Council, Board or Board of Trustees)

of the

Customer duly convened and regularly held in accordance with the law governing the Customer on

_____.
Y Y Y Y M M D D

(SEAL)

(1)

Authorized Person's Signature

Authorized Person's Name: **ED HOLDER**

Authorized Person's Title: **MAYOR**

(2)

Authorized Person's Signature

Authorized Person's Name: **MICHAEL SCHULTHESS**

Authorized Person's Title: **CITY CLERK**

Please do not write in this area

01-001-380-201906-02-341432003--0202



(1) Insert "Mayor", "Chairman", etc. as the case may be.
(2) Insert "Clerk", "Secretary", "Treasurer", etc. as the case may be.

341432003 THE CORPORATION OF THE CITY OF LONDON

Special Instructions relating to Signing Authorities

Special instructions should only be provided if the Customer has limited the authority of a Person to act on its behalf. Indicate below if special instructions are provided:

Instructions for the withdrawal of funds from accounts by way of cheque, wire payment instruction, pre-authorized debit authorization, or other order for the payment of money from accounts

FOR CHEQUES UNDER \$50,000, THE MAYOR AND CITY TREASURER SIGN JOINTLY

FOR CHEQUES OVER \$50,000, THE MAYOR AND CITY TREASURER SIGN JOINTLY WITH ONE OF THE FOLLOWING: MAYOR; DEPUTY CITY MANAGER, FINANCE SUPPORTS, CITY TREASURER; DIRECTOR, FINANCIAL PLANNING & BUSINESS SUPPORT; DIRECTOR, FINANCIAL SERVICES; DIVISION MANAGER, TAXATION & REVENUE; MANAGER, DEVELOPMENT FINANCE; MANAGER, FINANCIAL PLANNING & POLICY

FOR ELECTRONIC FUND TRANSFERS UNDER \$50,000 ONE OF THE FOLLOWING: SENIOR FINANCIAL BUSINESS ADMINISTRATOR; FINANCIAL BUSINESS ADMINISTRATOR; MANAGER ACCOUNTING & REPORTING; MANAGER FINANCIAL OPERATIONS

FOR ELECTRONIC FUND TRANSFERS OVER \$50,000 ONE OF THE FOLLOWING MUST APPROVE IN WRITING: DEPUTY CITY MANAGER, FINANCE SUPPORTS, CITY TREASURER; DIRECTOR, FINANCIAL PLANNING & BUSINESS SUPPORT; DIRECTOR, FINANCIAL SERVICES; DIVISION MANAGER, TAXATION & REVENUE; MANAGER, DEVELOPMENT FINANCE; MANAGER, FINANCIAL PLANNING & POLICY

FOR ALL WIRE OR MANUAL TRANSFERS OF ANY AMOUNT TWO SIGNATURES OF TWO OF THE FOLLOWING: DEPUTY CITY MANAGER, FINANCE SUPPORTS, CITY TREASURER; DIRECTOR, FINANCIAL PLANNING & BUSINESS SUPPORT; DIRECTOR, FINANCIAL SERVICES; DIVISION MANAGER, TAXATION & REVENUE; MANAGER, DEVELOPMENT FINANCE; MANAGER, FINANCIAL PLANNING & POLICY

DATED: _____

MAYOR

CITY CLERK



Master Client Agreement for Business Clients Signature Card

SRF No.: 341432003

Legal Name: THE CORPORATION OF THE CITY OF LONDON

This Signature Card forms part of the Master Client Agreement for Business Clients between Royal Bank and the Customer identified in section C below. The Agreement consists of this Signature Card, the Legal Terms and Conditions, and all other Documents that may become part of this Agreement in accordance with the Legal Terms and Conditions. All capitalized terms not defined in this Signature Card have the meanings given in the Legal Terms and Conditions, and the rules of interpretation prescribed by the Legal Terms and Conditions also apply.

SECTION A - Incumbency Certificate

Each Person identified on this Signature Card has the power and authority to exercise certain rights on behalf of the Customer in connection with the Agreement and all Services, including to incur liabilities, assume obligations, and otherwise conduct business on behalf of the Customer, and to delegate power and authority on behalf of the Customer in accordance with the Agreement.

The Customer confirms, in accordance with the Customer's representations, warranties, covenants, and agreements contained in the Legal Terms and Conditions, all necessary actions have been taken in connection with these authorizations.

The Customer acknowledges, by way of each Person signing below, receipt of the Agreement, and confirms all information provided to Royal Bank, including regarding the Customer's ownership, control, and structure, is true, complete, and accurate in all respects.

This Signature Card constitutes part of the Customer's official corporate or business records.

A.1 - Signing Authorities

Each Person identified in this section is a signing authority for the Customer and is authorized, acting alone, to exercise and delegate all rights, powers, and authorities on behalf of the Customer with respect to all matters and dealings with Royal Bank, including to amend this Signature Card and otherwise legally bind the Customer and provide instructions on behalf of the Customer, except to the extent of any special instructions provided on this Signature Card below.

For authorized individuals:

Name	Title	Signature	Special Instructions
ED HOLDER	MAYOR		YES
MICHAEL SCHULTHESS	CITY CLERK		YES
ANNA LISA BARBON	DEPUTY CITY MANAGER, FINANCE SUPPORTS, CITY TREASURER		YES
IAN COLLINS	DIRECTOR, FINANCIAL SERVICES & DEPUTY CITY TREASURER		YES
JOE MCMILLAN	DIVISION MANAGER, TAXATION & REVENUE & DEPUTY CITY TREASURER		YES

JASON SENESE	MANAGER, DEVELOPMENT FINANCE		YES
ALAN DUNBAR	MANAGER, FINANCIAL PLANNING & POLICY		YES
KYLE MURRAY	DIRECTOR, FINANCIAL PLANNING & BUSINESS SUPPORT & DEPUTY CITY TREASURER		YES
JASON DAVIES	MANAGER, FINANCIAL PLANNING & POLICY		YES
MARTIN GALCZYNSKI	MANAGER, FINANCIAL PLANNING & POLICY		YES
MENG LIU	SENIOR FINANCIAL BUSINESS ADMINISTRATOR		YES
KRISTIN MCGRATH	FINANCIAL BUSINESS ADMINISTRATOR		YES
NORA REXHVELAJ	MANAGER ACCOUNTING & REPORTING		YES
SAMANTHA ARCESE	MANAGER FINANCIAL OPERATIONS		YES

For authorized corporations and other entities:

SRF (internal use only):	Name	Special Instructions

Special Instructions relating to Signing Authorities

Special instructions should only be provided if the Customer has limited the authority of a Person to act on its behalf. Indicate below if special instructions are provided:

Yes No

<p>Instructions for the withdrawal of funds from accounts by way of cheque, wire payment instruction, pre-authorized debit authorization, or other order for the payment of money from accounts</p> <p>SEE SCHEDULE A</p>
<p>Agreements for accounts or cash management products or services</p> <p>THE MAYOR AND CITY CLERK TO SIGN JOINTLY</p>
<p>Agreements for borrowing money or otherwise obtaining credit, granting security, and/or providing guarantees</p> <p>THE MAYOR AND CITY CLERK TO SIGN JOINTLY</p>
<p>Requests for draws, drawdowns, or advances under any agreements relating to borrowing money or otherwise obtaining credit</p> <p>THE MAYOR AND CITY CLERK TO SIGN JOINTLY</p>

Note: All changes must be initialed by an authorized individual(s)

A.2 - RBC Commercial Credit Cards - Lead Program Administrator(s)

Does the Customer have an RBC Commercial Credit Card account?

Yes No

If the Customer has an RBC Commercial Credit Card account, there must be at least one Lead Program Administrator (as defined in the Commercial Card Program Service Materials) identified below.

Each Person identified in this section is a Lead Program Administrator for the Customer in connection with the RBC Commercial Card Program and is authorized, acting alone, to exercise and delegate the rights, powers and authorities on behalf of the Customer, as described in the Commercial Card Program Service Materials.

Name	Signature

SECTION B - Trade name

The Customer is the owner of each trade name below, and has the rights, powers, and authorities necessary to use each trade name below in connection with the Services.

Trade Name (Operating As)

SECTION C - Effect

This Signature Card is effective as of

Y	Y	Y	Y	M	M	D	D

 and supersedes and replaces any previous version signed by the Customer.

Customer's Legal Name: THE CORPORATION OF THE CITY OF LONDON
Authorized Person's Name: ED HOLDER
Authorized Person's Title: MAYOR
Authorized Person's Signature:

Customer's Legal Name: THE CORPORATION OF THE CITY OF LONDON
Authorized Person's Name: MICHAEL SCHULTHESS
Authorized Person's Title: CITY CLERK
Authorized Person's Signature:

Customer's Legal Name:
Authorized Person's Name:
Authorized Person's Title:
Authorized Person's Signature:

SECTION D - Amendment

This Signature Card is amended as of

- -
Y Y Y Y M M D D

and supersedes and replaces any previous version signed by the Customer.

Customer's Legal Name:
Authorized Person's Name:
Authorized Person's Title:
Authorized Person's Signature:

Customer's Legal Name:
Authorized Person's Name:
Authorized Person's Title:
Authorized Person's Signature:

Customer's Legal Name:
Authorized Person's Name:
Authorized Person's Title:
Authorized Person's Signature:

APPENDIX "B"

Bill No.

By-law No. A.-8047-15-

A by-law to amend By-law A.-8047-15, "A bylaw to approve an Amending Agreement between the Bank of Nova Scotia and The Corporation of the City of London"

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 8 of the *Municipal Act, 2001* provides that powers of a municipality shall be interpreted broadly so as to confer broad authority on a municipality to govern its affairs as it considers appropriate and to enhance the municipality's ability to respond to issues;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10(1) of the *Municipal Act, 2001* provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS subsection 10(2) of the *Municipal Act, 2001* provides that a municipality may pass by-laws respecting, among other things: ii) financial management of the municipality;

AND WHEREAS the Bank of Nova Scotia and The Corporation of the City of London entered into an agreement in 2016 for the provision of financial banking services ("Banking Services Agreement");

AND WHEREAS a Certificate was approved and requires amendment as a result of restructuring;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows;

1. The Certificate approved under section 5 of By-law A.-8047-15, "A bylaw to approve an Amending Agreement between the Bank of Nova Scotia and

The Corporation of the City of London” is deleted and replaced by the Certificate, substantially in the form attached as Schedule I, to this bylaw, which is hereby approved.

2. The Mayor and Clerk are authorized to execute the Certificate approved under section 1 of this bylaw.

This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on February 15, 2022

Ed Holder
Mayor

Michael Schulthess
City Clerk

First Reading – February 15, 2022
Second Reading – February 15, 2022
Third Reading – February 15, 2022

SCHEDULE I

Certificate – Beneficial Owners, Officers, Directors & Signing Authorities

TO THE BANK OF NOVA SCOTIA AND ITS SUBSIDIARIES (collectively, "Scotiabank"):

THE UNDERSIGNED, on behalf of THE CORPORATION OF THE CITY OF LONDON
(FULL LEGAL NAME)

Trading As (if applicable): _____

("the Company"), certifies

that no individual owns or controls, directly or indirectly, 25% or more of the Company

OR

that the following individuals are the beneficial owners who each own or control, directly or indirectly, 25% or more of the Company:

Note: Beneficial ownership must be tracked to those natural persons, if any, who own 25% or more of the Company. Do not list an intermediary entity (i.e. a business entity) as a beneficial owner.

Name of Person	Address	Date of Birth (mm/dd/yyyy)	Percentage Ownership	Occupation

(the "Company") certify that the following persons are officers of the Company:

STATE
 NAMES &
 TITLES

Anna Lisa Barbon, Deputy City Manager, Finance Supports, City Treasurer
 Ed Holder, Mayor
 Michael Schulthess, City Clerk

STATE
NAMES &
OCCUPATIONS

and the following persons are the directors of the Company:

Ed Holder	Michael Van Holst
Shawn Lewis	Anna Hopkins
Mo Mohamed Salih	Paul Van Meerbergen
Jesse Helmer	Stephen Turner
Maureen Cassidy	Elizabeth Peloza
Josh Morgan	Steve Hillier
Steve Lehman	John Fyfe-Millar
Mariam Hamou	

and certify that any of the following persons in the combinations specified, if applicable have been authorized to give instructions, verifications and approvals on behalf of the Company from time to time:

STATE
NAMES &
TITLES

Refer to attached Schedule "A"

And certify that any of the following persons in the combinations specified, if applicable have been authorized to borrow money from the Bank on the credit of the Company from time to time up to a total of \$102,000,000 subject to the limit described below on the terms that these persons may determine.

The Mayor, or the Deputy Mayor, and the City Treasurer or the Deputy Treasurer of the Corporation are authorized to execute on behalf of the Corporation, under its Corporate Seal, and deliver to the Bank of Nova Scotia, or its representatives or other persons, an agreement to borrow sums which shall not in total exceed \$102,000,000 at any one time, to meet, until the taxes are collected, the current expenditures of the Corporation provided that notwithstanding the sums authorized to be borrowed hereunder, the amount that may be borrowed hereunder at any one time, together with the total of any similar borrowings that have not been repaid, shall not, except with the approval of the Local Planning Appeal Tribunal, exceed from January 1st to September 30th in the year, 50 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year, and from October 1st to December 31st in the year, 25 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year, all as provided for in section 407 of the Municipal Act, S.O. 2001, c. 25.

Any two of:

Anna Lisa Barbon, Deputy City Manager, Finance Supports, City Treasurer
 Ed Holder, Mayor
 Josh Morgan, Councillor and Deputy Mayor
 Ian Collins, Director, Financial Services, Deputy City Treasurer
 Kyle Murray, Director, Financial Planning & Business Support, Deputy City Treasurer
 Joe McMillan, Division Manager - Taxation & Revenue, Deputy City Treasurer

DATE RECEIVED	_____
RECORDED	_____
APPROVED	_____
E.O. AUDITOR	_____

The undersigned certifies that he/she has the knowledge and authority to provide the above information, that such information is complete and correct, and that he/she has the signing authority to bind the Company. The undersigned undertake to notify The Bank of Nova Scotia of any change in the directors or officers of the Company, or the authorizations certified above and, until The Bank of Nova Scotia receives such written notice, you may assume there has been no change in the information certified above.

Date (mm/dd/yyyy)

SIGNATURE: _____
TITLE (PRINT): _____

SIGNATURE: _____
TITLE (PRINT): _____

Schedule A

Supplemental information to the
Certificate - Officers, Directors & Signing Authorities

The Corporation of The City of London

In addition to the terms noted on the above referenced form, we certify that the following persons, in the combinations specified, are authorized to give instructions, verifications and approvals on behalf of the Company from time to time:

SIGNATORIES:

Ed Holder	Mayor
Anna Lisa Barbon	Deputy City Manager, Finance Supports, City Treasurer
Kyle Murray	Director, Financial Planning & Business Support
Ian Collins	Director, Financial Services
Joe McMillan	Division Manager, Taxation & Revenue
Jason Senese	Manager, Development Finance
Jason Davies	Manager, Financial Planning & Policy
Alan Dunbar	Manager, Financial Planning & Policy
Martin Galczynski	Manager, Financial Planning & Policy

For all cheques up to and including \$50,000 the following two (2) signature are required:

Mayor- Signature may be written, engraved, printed or otherwise mechanically reproduced AND City Treasurer - Signature may be impressed thereon by cheque signing machine.

For all cheques over \$50,000 the following three (3) signatures are required:

Mayor- Signature may be written, engraved, printed or otherwise mechanically reproduced AND City Treasurer - Signature may be impressed thereon by cheque signing machine PLUS countersigned in Writing by one (1) of: Director, Financial Planning & Business Support; Director, Financial Services; Division Manager, Taxation & Revenue; Manager, Development Finance; Manager, Financial Planning & Policy.

For all wire and/ or manual transfers of any amount, any two (2) of the following signatures are required:

City Treasurer; Director Financial Planning & Business Support; Director, Financial Services; Division Manager, Taxation & Revenue; Manager, Development Finance; Manager, Financial Planning & Policy.

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee
From: Anna Lisa Barbon, Deputy City Manager, Finance Supports
Subject: Considerations and Viability to Implement a Vacant Home Tax in London
Date: January 31, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the following actions be taken with respect to the consideration to implement a vacant home tax in London:

- a) The staff report dated January 31, 2022, “Considerations and Viability to Implement a Vacant Home Tax in London BE RECEIVED for information;
- b) At this time, the Civic Administration TAKE NO ACTION; and
- c) That Civic Administration BE DIRECTED to continue to monitor implementation, execution, and experience of other Ontario municipalities of this tax.

Executive Summary

In response to Council motion “That Civic Administration be directed to undertake a review, including but not limited to gathering information from other Ontario municipalities advancing this option, to determine the potential scope and feasibility of developing and implementing a vacant residential property tax on the residential property class and report back to council,” this report outlines steps taken by other municipalities, legislative requirements of a vacant home tax, challenges including obtaining accurate data, estimated revenues and costs of implementation, and the importance of community consultation. Based on what Civic Administration is aware of, a Vacant Home Tax would be challenged to achieve breakeven in the cost to implement and contribute to additional affordable housing programs, possibly creating an additional cost to the property taxpayer.

Linkage to the Corporate Strategic Plan

Council’s 2019 to 2023 Strategic Plan for the City of London identifies “Leading in Public Service” as a strategic area of focus where the City of London is a leader in public service as an employer, a steward of public funds, and an innovator of service.

Analysis

1.0 Background Information

1.1 Legislated ability to initiate VHT

Under section 338.2 of the *Municipal Act, 2001*, municipalities can impose a tax on the assessment of vacant residential units. The Minister of Finance may, by regulation, designate the City of London as having the power to impose such a tax. The Province has indicated that the following steps would be required to seek ‘designation’:

- Provide evidence of public consultation
- Provide evidence of local and upper-tier engagement
- Illustrate revenue yields
- Enable a bylaw which identifies tax rate and conditions of vacancy as well as potential exemptions, rebates, etc

Once designated, municipalities must pass a residential vacant unit tax by-law that includes the following:

- Vacant tax rate
- Conditions of vacancy
- Exemptions
- Rebates of tax
- Audit and inspection powers
- Dispute resolution mechanism

Currently, the only municipality in Canada charging a tax on vacant residential units is in Vancouver through their Empty Homes Tax, which came into effect in 2017. The cities of Toronto and Ottawa plan to begin taxation of vacant residential units in 2023. This report outlines relevant factors that must be considered prior to implementing a residential vacant unit tax in the City of London.

2.0 Discussion and Considerations

2.1 Guiding Principles

A tax on vacant residential properties is designed primarily as a housing tool rather than a revenue tool. The main objective of implementing a Vacant Home Tax (VHT) is to encourage owners to rent out empty properties to increase the supply and affordability of housing. Costs to administer the program would be covered by the VHT, where any surplus resulting from a vacant home tax would then be used to fund programs which increase the supply of affordable housing. Prior to implementing a VHT, analysis is required to ensure such a tax would achieve the goal of an increased housing supply.

The implementation of a VHT must be fair and equitable. If established, the VHT should provide definitions of appropriate properties eligible to be taxed and identify exemptions.

The residential VHT should be implemented with the least administrative burden to the City of London and its residents.

2.2 Other Municipalities Considering a Vacant Home Tax

In addition to Toronto and Ottawa, many municipalities have taken various actions towards potential implementation of a vacant home tax. Cities that have presented an initial report to Council include Niagara, Mississauga, Hamilton, Peel Region and Halton Region. The City of Hamilton has engaged in public consultation while the Regions of Peel and Halton have also issued a Request For Proposal for consultant services to prepare a feasibility study and public benefit review. It is recommended that, prior to implementing a VHT in London should Council wish to proceed in its analysis, the City of London hire a consultant to complete a similar study.

To date, none of these cities have approved the adoption of a vacant home tax.

2.3 Vancouver Empty Homes Tax

Vancouver's Empty Homes Tax (EHT) has been assessed since 2017. The stated goal of the EHT was to:

- 1) Shift vacant properties to being rented out or occupied by a long-term resident
- 2) Prevent additional properties from becoming vacant

Any surplus generated by the EHT to be spent on affordable housing initiatives such as grants for construction of affordable housing, support for city renter initiatives, and housing property acquisition.

The necessity of an EHT was determined based on several factors. Housing affordability was a major concern, private apartment rents rose as vacancy rates

remained low, and it was necessary to ensure that homes were used as housing rather than being left vacant.

All owners of residential class properties were required to declare property status online as:

Occupied: occupied for at least 6 months out of the year

Not occupied: Exempt or Vacant

Properties declared or determined to be vacant are subject to the tax.

Implementation costs, including technology build and support for tax administration and online declaration and audit capabilities, were \$7.4 million.

Annual operating costs, including additional staff of 15 to 20 people, costs \$2.9 million.

Based on an average single family home value of \$2.4 million and an average condo value of \$800 thousand, a 1% VHT has generated an average of \$37.8 million annually from 2017-2019 which resulted in greater than \$30 million to be applied to affordable housing initiatives. As the VHT has achieved the goal of reduced vacancies, the number of residential properties has gone down and the VHT rate has increased from 1% to 3%.

Major challenges from implementation and first year of operation included a lack of understanding regarding the exemptions, confusion as to who is required to complete the declaration and adhering to deadlines. The City of Vancouver reported that there were over 5,000 information line interactions about their tax over a seven (7) month period seeking clarification to the program. Further, based on experience to date, cost of this program has increased from early estimates and the revenue (EHT) realized for the program was less than initially anticipated.

2.4 Toronto Implementation of a Vacant Home Tax

Toronto's Vacant Home Tax (VHT) was initiated based on several factors:

- 1) An affordability gap in the Toronto housing market
- 2) Ontario Fair Housing Plan 2017 – Legislative change to Toronto Act permitting the introduction of an optional tax on vacant residential units
- 3) May 2017 Council requested a report on the feasibility of implementing a vacant home tax

Public engagement took place in 2017 to gauge support for a potential VHT. Based on report findings that the public supported the concept of a VHT, a consultant was procured to provide professional advice in 2020. The consultant study resulted in approval of the tax and direction to report back on VHT design features. A July 2021 report set key tax concepts for refinement, further consultation, and a target of the end of 2021 for a final VHT by-law.

The implementation process, including consultation, produced the following findings:

- Housing market conditions and preponderance of homes left vacant justifies the implementation of VHT in Toronto
- Goal of the tax is to transition vacant homes back into actively occupied homes to improve housing availability.
- Prudent to follow the design and implementation approach employed in Vancouver
- Mandatory declarations required with permissible exemptions
- Start up costs estimated at \$11 million
- Estimated revenues of \$55-66 million annually
- Net annual revenues could be dedicated to affordable housing initiatives.

The proposed timeline is to have the Vacant Home Tax by-law in effect for 2022 with declarations and taxation beginning in 2023.

2.5 Ottawa Implementation of a Vacant Unit Tax

On June 9, 2021, the City of Ottawa Council approved a report from their Finance and Economic Development Committee on the implementation of a residential vacant unit tax.

Public engagement regarding a proposed Vacant Unit Tax (VUT) was completed using a survey which revealed 77% of respondents in support of a residential VUT. Based on Council approval and public support, a VUT framework was drafted.

Details of the initial framework are as follows:

Vacant Unit Definition: A residential unit would be considered vacant if it has been unoccupied for an aggregate of more than 184 days during the previous calendar year.

Mandatory Declaration: Every homeowner in Ottawa would be required to declare to the City if their home is occupied or vacant each year. Residents who do not report their status to the City would be automatically deemed vacant.

Tax rate: 1.0%

Estimated Revenue: Staff estimates that between 0.25% and 1.0% of the eligible residential properties in Ottawa will be subject to the tax, which equates to a number between 760 to 3,000. The estimated revenue in the first year would be \$6.6 M with an additional \$29.4 M estimated for the following five years.

Estimated Program Costs: Estimated start-up costs are \$3.5 M over 2.5 years after which the ongoing operating costs would be \$1.3 M annually. A complement of 8 full-time employees will be required for the administration of the program.

Timing: The first year of vacancy declaration would be 2022. Residents would declare vacancy at the beginning of 2023 for the 2022 calendar year. The properties that are deemed or declared vacant would be billed in 2023.

3.0 Financial Impact/Considerations

Based on the experience of other municipalities who are starting to explore this tool or who have implemented, a consultant was engaged by them to identify the estimated number of vacancies in the community to determine viability. Based on public information available, these consultant engagements would cost the City anywhere between \$100,000 to \$150,000. Given the cost, in accordance with the City's Procurement of Goods and Services Policy, a Request for Proposal (RFP) process would be followed. This process would take up to 5 months based on examples seen in Halton and Peel Region.

A key financial consideration of this program is projection of potential revenues that would support the administration of the program, as well as contribute to potentially increasing the supply of affordable housing.

4.0 Key Issues and Considerations

4.1 How to Identify Vacant Residential Properties in London

Identifying vacant units is the most challenging piece for the implementation of the VHT.

There is currently no vacant property registry in the City of London. By Law Enforcement is able to identify vacant properties based on inspections and complaints

from the public. The current number of vacant residential properties identified is 54. Providing an accurate estimate of total vacant residential properties would require more detailed methods.

One potential method of identifying vacant units is through anonymous utility data. Using anonymized water consumption data, the City of Toronto estimated that between 2.0% and 5.7% of all properties analyzed had average water consumption levels at a level that could suggest the property is underutilized or vacant. The City of London could potentially use hydro and water data to estimate the rate of residential vacancy. A consultant would be needed to perform a thorough analysis.

The City of Ottawa estimated that between 0.25% and 1% of residential properties would be subject to a vacant unit tax and based their estimate on 0.5% of properties. Applying the same percentage to London properties would result in an estimate of 783 vacant residential properties in the City of London.

4.2 Projected Revenue Based on Estimated Vacant Properties

Based on the 54 vacant residential properties identified, the revenue generated by a 1% vacant home tax would be a modest \$66,268.

Applying an estimate that 0.5% of residential properties in London are vacant, the result would be a total of 783 properties at an average current value assessment of \$249,582. When applying a 1% VHT, the estimated revenue generated would be \$1,954,256 (783 properties * 249,582 * 1%)

Once the VHT program is successful in reducing vacant properties, the projected revenue will decrease. Data from Vancouver indicates there was a 21.6% decrease in vacant properties in year two of the Empty Homes Tax program.

Further analysis should be performed to verify whether an estimate of 0.5% vacancy is reasonable.

4.3 Projected costs

When estimating the cost of a VHT program, both implementation costs and operating costs must be considered. Implementation costs include public education, and technology build and support for tax administration, audit capabilities, and online declaration. Toronto based their estimated start-up costs on the Vancouver experience. As Toronto is approximately four times the size of Vancouver, they estimated an additional 50% over the \$7.4 million implementation costs reported by Vancouver. Using similar reasoning, since London is approximately half the size of Vancouver, the implementation cost estimate should be approximately 25% less than Vancouver start-up costs. The estimated implementation cost for London would be \$5.5 million. (\$7.4 million * 75%)

Given the nature of a vacant home tax, a large portion of operating costs would be spent to ensure compliance and to educate property owners about roles and responsibilities. Relevant operating costs would include salaries for inspectors, administrative and audit staff, IT services, and material costs associated with print, postage, and electronic services. Using a similar cost estimate in comparison to Vancouver's annual operating cost of \$2.9 million, the annual operating cost for London would be approximately \$2.1 million. (\$2.9 million * 75%)

Based on initial, high-level estimates, the projected costs of a Vacant Home Tax will exceed projected revenue. Procurement of a consultant would provide a more accurate estimate of both the number of vacant properties in London and the associated costs of administering a Vacant Home Tax. Further the cost estimates may not incorporate indirect or opportunity costs and impacts that this could have organizationally, such as the need to adjust priorities in various departments given already committed priorities.

4.4 Financial Viability and Sustainability – Breakeven Analysis

Outlined in the table below are the estimates from Section 4.2 and Section 4.3 which are summarized together to determine, at a high level the financial viability of the program.

Table 1: Financial Viability of VHT based on estimates.

Assuming 1% Vacant Home Tax	Assuming 783⁽¹⁾ vacant residential properties
Estimated ⁽²⁾⁽³⁾ Revenue from VHT	\$2.0 million ⁽⁴⁾
Estimated ⁽²⁾ On Going Costs (Administration)	\$2.1 million ⁽⁵⁾
Net Revenue (Net Cost) of Program	(\$0.1 million)
Estimated ⁽²⁾ One Time Implementation Cost	\$5.5 million
Payback of Costs	No payback
Year where \$ would be directed to increasing housing supply	No Contribution

Notes:

- (1) Assuming a 0.5% residential vacancy rate. Note the City of London is only aware of 62 vacant residential units.
- (2) While limited to date, based on other Canadian municipal experience, estimates on revenues have been overstated, whereas estimates on programs costs and start up costs have been understated.
- (3) Based on average current value assessment of \$249,582.
- (4) One of the objectives of a vacant property tax is to reduce the number vacant homes (under utilization) in a community. Should the program achieve the desired outcome, revenue from VHT would decline.
- (5) While efficiencies will be identified over time, costs to administer the program will increase regardless of volume as the annual process would still have to be done.

As highlighted above, based on the work done by other municipalities to date, and methodologies that they've provided, assuming that there are 783 vacant residential properties, this program would not breakeven to cover the annual ongoing operating cost of administration nor would it contribute towards the estimated one time cost of implementation. Assuming the high end of the range at 1% vacancy rate for a total of 1,566 vacant properties, it would take 3 years to pay back the implementation and operating costs. There is an inverse relationship between revenue generated and program success. As the goal of the VHT is realized and vacant residential properties are reduced, the revenue generated by the program will decrease. Meanwhile, based on inflationary pressure, the costs to administer the program will increase over time. Given an unknown volume of vacant residential properties and the expectation that expenses will exceed revenues, the financial viability and sustainability of a Vacant Home Tax in the City of London is highly questionable.

4.5 How to Determine Vacancy

Determining and defining what is considered a vacant home is not prescribed in the Act and is within municipal jurisdiction. Similar to the approach used in Vancouver, it is expected that those property owners in Toronto and Ottawa will be required to make a mandatory declaration by a specified cut off date as to whether their property was vacant. If a declaration is not made, it is then deemed to be vacant in accordance with the enabling bylaw.

There are several options for determining vacancy, as follows:

- **Mandatory Declaration**
 - Every residential property owner required to declare vacant or occupied
 - Residential property owners who do not report status would be deemed vacant
 - Residential property owners who declare occupied and are deemed vacant through audit will be subject to fines or penalties

- Vacant Property Declaration
 - Only self-identified vacant property owners required to declare
 - Those deemed vacant through audit will be subject to fines or penalties if they have failed to self-declare
 - Onus placed on vacant residential property owners
- Reported Vacancy
 - Vacant residential properties are identified through a complaints process
 - Commonly considered a less effective approach
 - Discourages a community environment

Regardless of which option is used, an audit process will be necessary to verify property status. Exemptions from the tax that have been identified in programs (i.e. City of Toronto) have included but not limited to; death of a registered owner, property undergoing redevelopment or major renovation, property of the owner in care, rental restriction or prohibition that prevents the unit from being occupied, transfer or legal ownership of property during the year, and court order.

4.5 Public Engagement

The cities of Vancouver, Toronto, and Ottawa participated in public engagement prior to implementing a vacant home tax. There are many methods used including surveys distributed through tax bill inserts and social media, as well as public meetings. Stakeholder consultations with organizations such as home builder associations, real estate boards and landlord associations would also be recommended.

Identifying the level of public support for a VHT is a necessary first step that should be taken prior to taking further action and incurring further costs.

4.6 Alternatives to a Vacant Home Tax

If it is determined that implementation of a Vacant Home Tax would result in higher costs than revenue generated, it would be deemed administratively burdensome and would not achieve the goal of providing funding for affordable housing initiatives.

Potential alternatives to a VHT include:

- Directly funding affordable housing initiatives
- Providing an incentive to developers in the form of a property tax rebate tied to affordable housing

4.7 Potential Challenges

Based on Vancouver's experience, major challenges from implementation and first year of operation included a lack of understanding regarding the exemptions, confusion as to who is required to complete the declaration, and adherence to deadlines. It is conceivable that many residential property owners will not be aware that they are required to declare their property occupied. This could result in overstated VHT revenue and many appeals after the VHT bills are issued.

The Vacant Home Tax is a policy tool aimed at changing homeowner behaviours, reducing speculative activities, and helping release more housing units to the secondary market. If successful, the Vacant Homes Tax would likely be a declining source of revenue as homeowners would occupy or lease out their homes to avoid the tax. This is evidenced in Vancouver where the number of vacant properties, as well as revenues collected has declined since their Empty Homes Tax was first implemented in 2017. Since expenses will remain constant or increase, it is necessary to calculate the long-term viability of a Vacant Home Tax program.

Conclusion

As only one Canadian city has implemented a vacant home tax, actual data regarding the success of this tool is limited to date. Toronto and Ottawa have committed to implementing a vacancy tax beginning in 2023, after which, actual data from an Ontario perspective should be available.

Currently, accurate estimates related to the number of vacant residential properties in the City of London are not available. Assuming that there are 783 vacant residential units, there would be no financial viability to this program. Further, as property owner behaviours change as a result of this tax, it should be expected that as the number of vacancies decrease, cost to the property taxpayer to maintain a vacant home tax program will remain.

Prepared by: Joseph McMillan, Division Manager, Taxation & Revenue
Submitted by: Ian Collins, Director, Financial Services
Recommended by: Anna Lisa Barbon, Deputy City Manger, Finance Supports

January 27, 2022

Councillor Shawn Lewis, Chair
Corporate Services Committee
300 Dufferin Avenue
London, ON N6B 1Z2

Dear Corporate Service Committee Members

We submitted a report to Council last June, requesting the City systemically address the issues relating to Property Standards By-Laws CP-16 & A-35. You will receive a report on Monday, January 31 in regard to one of the recommendations; levying additional taxes on vacant properties.

The report, however does not take a systemic approach. Why should taxpayers continue to bear the burden of the costs for ongoing inspections of properties, that are clearly not secured according to our community standards, and the costs and risks of sending the Police and Fire Department to these properties? These costs have not been factored into the recommendations that will be before you.

Slapping plywood over the windows does not meet the standards outlined in the bylaw. When the property standards are enforced, there is less likelihood that they will be left vacant to deteriorate, particularly when there is a substantial cost for property owners to secure them appropriately and tax levies should reflect the total costs to the community for all the services they incur.

We further submit that the costs of the vacancy tax program, even as estimated by city staff, it is still worth implementing. We believe that the tax will bring much needed affordable residential units back into the market and discourage real estate speculation. It would increase affordable housing units in an affordable manner. As well, a further option is to increase the vacancy tax from 1% to a higher amount (ie. 1.25%) to cover costs to administer the program.

Fewer affordable housing units are available as a result of other ongoing pressures within London. We are aware that many private investors are purchasing affordable housing units, renovating them, and then requesting higher rents. We are seeing a number affordable rental townhouse complexes

being bought by companies and then placed on the market to be sold to owners who then displace tenants. We are also aware of properties being purchased by developers and holding companies and left vacant for many years. Not only does this lower the availability of affordable housing, it also drives market rents higher.

We submit that these issues be approached systemically and we reiterate that London needs an Affordable Housing Plan that includes a tax on vacant properties. The Affordable Housing Plan needs to be developed with a multi-layered approach to address the spiralling effect of the housing market and lack of enforcement capacity for an extended period.

Sincerely,



Mike Laliberte, Staff Lawyer
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Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee

From: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Subject: Procurement of Goods and Services Policy Revisions Resulting from the Pandemic and Current Business-Related Needs

Date: January 31, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the attached proposed By-Law, being a By-Law to amend By-Law No. A.-6151-17, **BE INTRODUCED** at the Municipal Council meeting on February 15, 2022, to revise Schedule “C” to By-Law No. A.-6151-17 being the Procurement of Goods and Services Policy, where the following amendments are being recommended;

- (i) increase the dollar limit from \$3,000,000 to \$6,000,000 for Administrative Awarded Tenders that do not have an irregular result as per Section 13.2 in the Procurement of Goods and Services Policy; and
- (ii) make minor “housekeeping” revisions necessary in Section 4.6 related to contract amendments, and Sections 19.5 and 19.6 related to organizational titles.

Executive Summary

In response to increasing market and construction schedule pressures, staff completed a review of the current dollar limit for delegated authority to award contracts. The purpose of this report is to highlight current conditions, present the findings, and recommend an increase to the limit as set out in the Procurement of Goods and Services Policy.

Linkage to the Corporate Strategic Plan

Council’s 2019 to 2023 Strategic Plan for the City of London identifies “Leading in Public Service” as a strategic area of focus. This includes increasing the efficiency and effectiveness of service delivery by reducing administrative time to focus on more value-added tasks, completing projects sooner and improving relationships with vendors.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

Finance and Administrative Services Committee – November 26, 2012 – Procurement of Goods and Services Policy Revision

Corporate Services Committee – December 10, 2013 – Procurement of Goods and Services Policy Revision

1.2 Procurement of Good and Services Policy

The purpose of the Procurement of Goods and Services Policy (Appendix “A”) is to ensure the Corporation is receiving best value; the process is open, fair, transparent,

and competitive; and to provide the tools required to be responsive to our internal business needs. The current Procurement of Goods and Services Policy was most recently updated on August 10, 2021.

City Council has the ability to delegate some of its authority to staff.

In July 2012, the Audit Committee directed Civic Administration to implement an Auditor's recommendation that road projects with a value less than \$1 million be delegated to staff and to review the new limit within one year for a possible increase should the process demonstrate efficiency and effectiveness. As a result, the following delegated authority dollar limits were approved by Council.

- Increase dollar limit from \$100,000 to \$1,000,000 – December 11, 2012
- Increase dollar limit from \$1,000,000 to \$3,000,000 – December 17, 2013

The rationale for this delegated authority is that all of these projects are approved during budget deliberations and therefore the awarding of a tender that is under budget and is the low bid, can be viewed as an operational and administrative item. The delegation of authority is subject to all of the following parameters:

- The tender award must be less than the established policy dollar limit;
- The tender award must not result in an over-expenditure of the budget amount (Capital or Operating) for the project;
- The tender award must go to the low bidder;
- The tender must not be an irregular result.

Since first implemented in 2012, delegation of authority to award contracts has proven to be an efficient and effective way to reduce administrative effort while maintaining a transparent and competitive process. As part of the annual "Compliance Report in Accordance with the Procurement of Goods and Services Policy", Civic Administration provides a list of Administratively Awarded Tenders that are awarded under Section 13.2 of the Policy, identifying projects awarded under this delegated authority

2.0 Discussion and Considerations

Nearly a decade has passed since the administrative contract award limit was last reviewed. The influence of inflation and construction index increases have added natural pressures to the current dollar limit of \$3 million. Looking forward to the 2022 construction season, additional factors are anticipated to affect both the budgets and schedules of capital construction projects.

There is currently a minimum eight-week time span from tender close to contract document execution. Streamlining the tender award process through an administrative delegation can reduce that time to two weeks providing much needed additional time at the start of contracts.

2.1 Schedule Pressures

The construction season in London typically lasts approximately 35 weeks and most road reconstruction and infrastructure renewal projects already require the full construction window to complete the required works, often with finishing touches and cleanup work carrying over into the spring. Emerging factors such as excess soil management regulations, supply chain issues, and labour shortages are each expected to add additional pressures to the construction window in 2022 and beyond.

Excess Soil Management

Phase 2 of the Ministry of Environment, Parks and Conservation (MECP) "On-Site and Excess Soil Management Regulation" (O.Reg. 406/19) came into effect January 1, 2022, requiring soil sampling and testing, as well as documentation, tracking and registration of every load of excess soil leaving construction sites. Contractors will be

required to identify potential re-use sites for excess soil in their bids and complete additional post-contract award soil sampling and testing before construction can proceed in full. Soil testing could add 6 to 8 weeks to the start of the construction schedule.

Supply Chain Interruptions

The City has seen first hand in the marketplace and heard through media that the world is experiencing global supply chain interruptions. Most capital projects require the Contractor to source materials which delays the purchase until the contracts are awarded. Pre-ordering can be challenging for those materials requiring 'shop drawings' from the awarded contractor. Pre-ordering construction materials also requires careful consideration for storage and inventory while maintaining care-and-control of the items. It is critical that successful contractors are provided as much time as possible to order project materials.

Labour Shortages

The City is also hearing that many industries, including construction, are facing labour shortage issues as they struggle to return to regular working capacity amid COVID-19. Some capital projects over the last two years experienced extended waits for underground utility locates stemming from a combination of Locate Service Providers having difficulty retaining staff through the pandemic combined with significantly higher than anticipated spring ticket volumes. Staff are developing strategies to support enhanced locate service levels for 2022 construction projects. Still, locates are a critical first step to any construction project that can add time to the construction schedule if delayed.

2.2 Budget Pressures

Material Costs

Supply Chain interruptions have the potential to drive material costs over the coming construction seasons. Price increases have already been observed for items such as Personal Protective Equipment (PPE), Steel, Copper, Aluminum, Lumber, Paper Products, Electronics (micro chip shortages which also impact vehicle deliveries and prices), Plastics, Utilities and Fuel. Tender bid prices may also increase due to late or uncertain construction start dates. The contracting industry values early season projects to fill their workloads. Prompt award and document execution following tender close supports contractors in finalizing their agreements with subcontractors that may only hold their prices for a limited period given the volatile market.

Late Season Construction Costs

Each of the above noted schedule pressures have the potential to delay the start of construction, ultimately driving more projects later into the construction season and possibly pushing some works to the following year. Late season construction may result in "off-spec" work performed beyond the ideal time of the year, which is not covered under the 1-year warranty. There is also potential for additional charges if contractors are forced to perform work too far into the fall or winter ("winter heat charges"). While cleanup and deficiency work in the spring is normal, pushing larger components of the contract to the following year can have both cost and social impacts.

2.3 Schedule and Resource Efficiencies

The process for bringing contract awards forward for Council approval prior to document execution involves considerable administrative resource, often on a compressed timeline.

The minimum eight-week timeline from tender close to contract execution, leaves only five business days to confirm the compliant low bid and then turn around utility cost sharing agreements and finalize the source of financing. With Committee and Council cycles spaced three to four weeks apart, even short extensions to tender closing dates

can delay the start of construction by over a month. As well, there are only three committee dates at the start of each year capable of achieving executed contract documents in time for an April construction start. Administrative award of contracts allows for document execution within two weeks and much greater flexibility when timing the posting of tenders.

In the case of construction contracts, the established process for administrative awards typically requires approximately 10 hours of administrative staff time compared to 90 hours when bringing a construction contract forward for Council approval. Enterprise wide, the current \$3 million dollar limit on administrative awards is anticipated to save the corporation between 65 and 85 committee reports per year. In addition to saving staff time, administrative award of compliant, under budget, low bids streamlines committee agendas and saves on Council review time.

2.4 Contract Value Analysis

The current dollar limit of \$3 million was established following an analysis of contract values. In 2013, only 1 contract exceeded the \$3 million threshold. The same analysis was completed for 2021 actual and 2022 estimated contract values with 6 to 10 projects per year falling within the \$3-\$6 million, and another 2 projects per year in the \$6-\$9 million range.

As such, it is recommended to increase the approval threshold to \$6 million to once again capture the majority of compliant, under budget, low bid contracts within the administrative approval process.

2.5 “Housekeeping” Revisions

There are two small “housekeeping” revisions required to the Procurement of Goods and Services Policy with regards to Contract Amendments, and organization titles.

Contract Amendments: Section 4.6 (c), (i) should have “or 3%” added after \$50,000 to be consistent with section 20.3 (e) (ii) with respect to contract amendments. This update would also flow through to Schedule “A” to add “4.6” under the Policy Section column for the “Up to \$50,000 or 3% of the Contract Value” category. It is implied but this change would add much needed clarity.

Organization Titles: In Sections 19.5 and 19.6, organizational titles were accidentally changed from “Managing Directors” for bidders/suppliers to “Deputy City Manager” with the ‘find and replace’ update undertaken last summer as part of the City’s reorganization. There are two instances where this occurred, one in Section 19.5 (b) and one in Section 19.6 (a). This has been corrected in this policy update.

3.0 Financial Impact/Considerations

Given the current environment, the sooner the City can execute on a contract, the time saved could mitigate order times and corresponding inflationary pressures brought on by short and unstable supply chains. Please note there were 20 construction projects awarded administratively in 2021. There would have been an additional 10 administrative awards had this new limit been in place.

Consistent with existing practice, as part of the annual “Compliance Report in Accordance with the Procurement of Goods and Services Policy”, Civic Administration would provide a list of Administratively Awarded Tenders that are awarded under Section 13.2 of the Policy, identifying projects awarded under this delegated authority.

Conclusion

Emerging market conditions and new regulations have placed increased pressure on an already constrained construction season. As a result, the dollar limit for delegated authority of contract awards is recommended to be increased to \$6 million from \$3 million. Streamlining more tender awards through an administrative process will reduce document execution timelines providing much needed additional time at the start of construction contracts.

Prepared by: John Freeman, CSCMP, LSSGB
Manager, Purchasing and Supply

Submitted by: Ian Collins, CPA, CMA
Director, Financial Services

Recommended by: Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports

APPENDIX “A”

Bill No.
2022

By-law No.

A by-law to amend By-law No. A.-6151-17, as amended, being “A by-law to establish policies for the sale and other disposition of land, hiring of employees, procurement of goods and services, public notice, accountability and transparency, and delegation of powers and duties, as required under section 270(1) of the *Municipal Act, 2001*”, by deleting Schedule “C” – Procurement of Goods and Services Policy in its entirety and by replacing it with a new Schedule “C” – Procurement of Goods and Services Policy, to update the Policy, to provide additional clarity and updates.

WHEREAS section 5(3) of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides a municipality with the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority;

AND WHEREAS on December 17, 2007 the Municipal Council of The Corporation of the City of London enacted By-law A.-6151-17, being “A by-law to establish policies for the sale and other disposition of land, hiring of employees, procurement of goods and services, public notice, accountability and transparency, and delegation of powers and duties, as required under section 270(1) of the *Municipal Act, 2001*”;

AND WHEREAS the Municipal Council of The Corporation of the City of London wishes to amend By-law No. A.-6151-17, as amended, by deleting Schedule “C” – Procurement of Goods and Services Policy in its entirety and by replacing it with a new Schedule “C” – Procurement of Goods and Services Policy, to update the Policy to provide additional clarity, and updates;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. By-law No. A.-6151-17, as amended, being “A by-law to establish policies for the sale and other disposition of land, hiring of employees, procurement of goods and services, public notice, accountability and transparency, and delegation of powers and duties, as required under section 270(1) of the *Municipal Act, 2001*”, is hereby amended by deleting Schedule “C” – Procurement of Goods and Services Policy in its entirety and by replacing it with a new Schedule “C” – Procurement of Goods and Services Policy attached as Schedule “A” to this by-law.
2. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on February 15, 2022.

Ed Holder
Mayor

Michael Schulthess
City Clerk

First Reading – February 15, 2022
Second Reading – February 15, 2022
Third Reading – February 15, 2022



Procurement of Goods and Services Policy

Policy Name: Procurement of Goods and Services Policy

Legislative History: Enacted December 17, 2007 (By-law No. A.-6151-17); Amended November 23, 2009 (By-law No. A.-6151(b)-347); Amended October 4, 2010 (By-law No. A.-6151(c)-264); Amended December 6, 2011 (By-law No. A.-6151(d)-4); Amended October 30, 2012 (By-law No. A.-6151(e)-307); Amended December 11, 2012 (By-law No. A.-6151(f)-2); Amended December 19, 2016 (By-law No. A.-6151(n)-25); Amended March 21, 2017 (By-law No. A.-6151(o)-96); Amended June 26, 2018 (By-law No. A.-7742-237); Amended October 1, 2019 (By-law No. A.-6151(y)-268; Amended February 15, 2022 (By-law No.

Last Review Date: February 15, 2022

Service Area Lead: Manager, Purchasing & Supply

1. Policy Statement

This Policy outlines the processes to be followed in order to obtain the best value when purchasing goods, or contracting services for the Corporation of the City of London.

2. Definitions

Please refer to Section 3 of the attached Appendix A.

3. Applicability

Procurement activities shall be subject to all applicable City policies and by-laws, any specific provisions of the Municipal Act, and all other applicable Federal and Provincial legislation.

4. The Policy

Please refer to the attached Appendix A.

By-law No.

- Schedule "A"

Bylaw No. A.-6151-17, Schedule "C"

Procurement of Goods and Services Policy

The Corporation of the City of
London

Revised: February 15, 2022



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1. Procurement Goals and Objectives

Mission:

To obtain the right goods and/or services when needed while achieving best value through a transparent, fair and competitive process with a high focus on Customer Service.

- 1.1. This Policy outlines the processes to be followed in order to obtain the best value when purchasing goods, or contracting services for the Corporation of the City of London (herein after known as 'City').
- 1.2. The guiding principle is that procurement decisions will be made using a competitive process that is open, transparent and fair.
- 1.3. The City encourages innovation and the use of technology which meets City specifications and industry standards in order to ensure the utilization of the most efficient and effective procurement processes and practices.
- 1.4. The City will consider the total costs, including, but not limited to, acquisition, operating, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs in evaluating competitive bids from responsive and responsible bidders. Where costs are submitted for more than one year, the net present value of the annual costs will be used to evaluate the costs at a discount value concurred by the City Treasurer.

The Purchasing and Supply function fully embraces the philosophy of continuous improvement and will continue to be a leader in advanced public procurement solutions that are quality focused and consider the 'Total Cost of Ownership' where possible.

The City encourages its supply chain partners to have similar quality considerations with their procurement of goods and services.

1.5. Sustainable Purchasing

Sustainable Purchasing is a framework for procurement decision-making that will contribute to the City of London's procurement objective to achieve best value for the City by considering the full life cycle of products and their complete economic, environmental and social costs and benefits.

The City of London recognizes that through its procurement function it has the power to bring about environmental and social improvements both locally and globally while maximizing economic benefits. The City is committed to

maximizing sustainability benefits by engaging with the public marketplace and increasing the efficiency of procurement procedures and practice.

Sustainable Purchasing Purpose

The purpose is to:

- Embed environmental and ethical criteria into the City's procurement procedures and supply chain management processes and ensure cost effectiveness and competitive pricing.
- Set specifications for goods and services that achieve environmental benefits such as waste reduction, water conservation, energy conservation, and pollution prevention and increase the development and awareness of environmentally sound procurement, efficient and durable products, reusable products and products that contain post-consumer, recyclable, non-toxic, and/or nonpetroleum content.
- Ensure safe and healthy workplaces for the people who produce goods or supply services to the City of London by requiring suppliers to adhere to minimum performance standards with respect to fair labour practices and human rights, based on core labour conventions of the International Labour Organization (ILO), Canadian laws and other applicable environmental and ethical standards as defined in the City's Supplier Code of Conduct.
- Evaluate, as appropriate, products and services based on a full life cycle or total cost of ownership perspective that considers their complete economic, environmental and social costs and benefits.
- Evaluate, as appropriate, the sustainability performance of suppliers' internal operations and rewarding leadership and innovation among Suppliers who contribute to healthy, fair and safe workplaces and practice environmental stewardship.
- Strive to reduce the overall consumption of goods and services, where possible, through more efficient procurement procedures and practices.
- Enhance procurement practices to align with existing City sustainability initiatives, such as Leadership in Energy and Environmental Design (LEED) green building design and E3 Fleets.
- Advance a corporate culture at the City that recognizes and places a priority on sustainability.
- Adhere to the principles of public procurement by continuing to support a process that is open, fair, transparent and competitive and complying with all

applicable trade agreements such as The Canadian Free Trade Agreement (CFTA).

Scope

This applies to the procurement of goods, services and construction by all Service Areas. Full implementation of the policy will be phased in over time.

Guidelines

A. Responsibilities

All City Service Areas, Offices and Agencies shall identify and purchase the most environmentally and socially responsible products and services that are available for the intended purpose at a competitive price and that meet the performance requirements. Environmental and social factors that should be considered include, but are not limited to:

- Minimization of virgin material use in product or service life cycle;
- Maximization of recycled products used in product or service life cycle;
- Environmental cost of entire product or service life cycle;
- Reuse of existing products or materials in product or service life cycle;
- Recyclability of product;
- Minimization of packaging;
- Reduction of energy/water consumption;
- Toxicity reduction or elimination;
- Elimination of uncertified hardwoods in product or service life cycle;
- Durability and maintenance requirements;
- Ultimate disposal of the product; and
- Adherence to the minimum social performance standards of the *Supplier Code of Conduct*

Purchasing & Supply staff shall adhere to the guidelines set forth in this policy when making purchasing decisions. Purchasing & Supply will be responsible for ensuring Suppliers comply with the minimum performance standards of the *Supplier Code of Conduct* and will participate in establishing annual action plans and targets, developing relevant tools and procedures, and reporting on annual performance.

City Service Areas shall assist Purchasing & Supply in its implementation of this policy by supporting training, information gathering, developing of environmental specifications, and evaluation of products and services and suppliers sustainability performance. End Users shall work with Purchasing & Supply to set product and

service specifications and evaluate products and services based on these specifications.

B. Metrics and Reporting System

Sustainable purchasing performance indicators and annual targets will be defined. A reporting system will track performance against these indicators and report on achievement of targets.

C. Program Resourcing

Adequate resourcing (e.g. human and financial) will be assessed regularly to ensure successful implementation of the Sustainable Purchasing Policy.

D. Phased Implementation

Sustainable Purchasing will be phased in over time through the selection of priority products and service based on a defined set of selection criteria (e.g. cost saving potential, sustainability impacts, market availability).

1.6. Supplier Code of Conduct

The Supplier Code of Conduct sets the minimum performance standards for Suppliers and their subcontractors and supports the City of London's Sustainable Purchasing. The goal of the Supplier Code of Conduct is to ensure safe and healthy workplaces for the people who make goods, services and construction for the City, where human and civil rights conditions meet internationally agreed upon standards.

The Supplier Code of Conduct will ensure that Suppliers are in compliance with the International Labour Standards (i.e. core labour conventions) of the International Labour Organization (ILO), Canadian laws and other applicable environmental and ethical standards. The City will apply the Supplier Code of Conduct as one of the criteria used in its selection of Suppliers. It is a requirement that City Suppliers and their sub-contractors follow this code.

Compliance Requirements

City Suppliers and their sub-contractors must strive to comply with all national and other applicable laws of the country(ies) of operations or applicable to the manufacturing of goods or delivery of services, including, but not limited to those laws relating to working conditions, human rights, health and safety and the environment. For goods and services produced in Canada, Canadian laws will apply. For goods and services produced outside of Canada, and where foreign

national laws and the Supplier Code of Conduct address the same issue, the standard that is most stringent will apply, thereby ensuring that all Suppliers, regardless of their place of operation, are meeting a consistent set of minimum performance standards related to human rights and fair workplace practices. The application of the Supplier Code of Conduct will be phased in over time.

Minimum Performance Standards

The following nine standards are based on the ILO International Labour Standards (i.e. labour conventions) that directly support the Universal Declaration of Human Rights and address the worst forms of child and forced labour. These core conventions set out reasonably achievable minimum standards for working conditions in manufacturing facilities and factories internationally. The [ILO International Labour Standards](http://www.ilo.org) are available online at: <http://www.ilo.org>.

a. Freely Chosen Employment

The Supplier shall employ workers who choose to be employed by the Supplier's company. The Supplier shall not use any forced, bonded or indentured labour or involuntary prison labour. All work shall be voluntary, and workers shall be free to leave upon reasonable notice.

b. Child Labour

The Supplier shall commit to a zero-tolerance policy toward the use of child labour in any stage of manufacturing. The term "child" refers to any person under the age of 15 (or 14 where the law of the country of manufacture allows). Workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is permitted.

c. Non-discrimination and Diversity

The Supplier shall promote cooperation, individual responsibility and acceptance of diversity among its employees. The Supplier and its employees shall not engage in discrimination based on race, colour, age, gender, sexual orientation, ethnicity, disability, place of origin, ancestry, source of income, pregnancy, religion, political affiliation, union membership, family status or marital status in hiring and employment practices such as promotions, rewards, and access to training. In addition, workers or potential workers should not be subjected to medical tests that could be unlawfully used in a discriminatory way.

d. Health and Safety

Workers will be provided with a safe and healthy work environment. Conditions in all work and residential facilities shall be safe, clean, and consistent with all applicable laws and regulations regarding occupational health and safety. The Supplier shall adequately inform employees of their health and safety guidelines in terms of equipment, training, management, and work practices.

e. Employee Treatment, Harassment and Abuse

The Supplier's employees shall be treated with respect and dignity and Supplier's disciplinary policies and procedures shall be clearly defined and communicated to employees before application. There shall be no harsh and inhumane treatment, including any physical, sexual, psychological, verbal harassment or abuse, or corporal punishment; nor is there to be the threat of any such treatment.

f. Freedom of Association and Collective Bargaining

The Supplier shall work directly with employees to find solutions to any outstanding legal and employment issues while at all times respecting worker rights to obtain representation, join labour unions, and/or bargain collectively. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

g. Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate. Deductions from wages as a disciplinary manner is not permitted and payment shall occur in a timely manner with record of payment (e.g. pay stub).

h. Hours of Work

The Supplier shall ensure regular working hours do not exceed forty eight (48) hours per week, and that the combination of regular hours and required overtime hours do not exceed sixty (60) hours per week except in emergency circumstances.

i. Environmental Responsibility

Suppliers shall take responsibility to reduce the environmental impact of their products and services as well as their overall operations or 'in-house' practices (e.g. energy conservation in their buildings). Suppliers must not be in violation of any national environmental regulations and should be striving to meet third-party standards.

2. General Provisions

- 2.1 Unless otherwise provided in accordance with this Policy, the Manager of Purchasing and Supply and the authorized employees of Purchasing and Supply shall act for the City, for the purchase and disposal of all goods and/or services and shall be responsible for providing necessary advice and services required for such purchases and/or disposals in accordance with the method of purchase authorized by this Policy.
- 2.2 No purchase of goods and/or services shall be authorized unless it is in compliance with this Policy. Goods and/or services that are obtained without following the provisions of this Policy will not be accepted, and any invoices received may not be processed for payment.
- 2.3 Unless otherwise provided in accordance with this Policy, the purchase of all goods and/or services shall be authorized in accordance with the provisions of Schedule "A" to this Policy.
- 2.4 Requisitions or purchase orders shall not be arbitrarily structured to alter the relationship of the price to the preauthorized expenditure limit.
- 2.5 The procedures prescribed in this Policy shall be followed to make an award or to make a recommendation of an award to Committee and City Council.
- 2.6 Wherever possible, it should be the intent of the client service areas to procure goods and/or services of like nature as a combined effort in order to benefit from economies of scale.
- 2.7 During the public procurement process, internal City bids will not be considered as the analysis of in-house versus out-source (procurement) will be made prior to any such process.
- 2.8 Definitions specific to this Policy are documented in Section 3.
- 2.9 The City recognizes that mistakes and misunderstandings may occur; bidders may feel aggrieved and may seek to dispute the recommendation of an award of a contract. To maintain the integrity of the process, bidders who believe they have been treated unfairly can make this known by contacting the Manager of Purchasing and Supply prior to the award of the contract. The bidder must file the

formal dispute for an appeal in writing within two (2) City of London business days of notification to the bidder by the City that their bid is not acceptable and request a hearing meeting with the Manager of Purchasing and Supply (or delegate). This meeting must be held within seven (7) City of London business days of notification. If the bidder disagrees with the decision of the hearing meeting the next step is to formally appeal to the City Treasurer (or delegate) in writing within seven (7) City of London business days. If the bidder disagrees with the decision of the City Treasurer, the next step is to formally appeal in writing to the City Clerk within seven (7) City of London business days. The Corporate Services Committee will hear the appeal and make a recommendation to Council regarding the dispute. City Council's decision on the Committee's recommendation is final.

The City may, in its absolute sole discretion, reject any other bids submitted if the bidder, or any officer or Deputy City Manager of the bidder is or has been engaged, either directly or indirectly through another Corporation or personally, in/or during a dispute appeal of decision for the contract award action against the City.

In determining whether or not to reject a bid under this clause, the City will consider delays in awards of this or subsequent City contracts and whether the dispute or appeal is likely to affect the bidder's ability to work with the City, its consultants and representatives, and whether the City's experience with the bidder indicates that the City is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the bidder. The City will also consider delays in awards of subsequent City contracts with other contractors and the potential for those additional costs resulting in delays associated with this dispute/appeal.

There are strict time limits to file a dispute appeal. If the bidder is unsure of the deadline for appeal, they must seek direction from the Manager of Purchasing and Supply. Failure to seek and follow these directions will result in the appeal being dismissed.

- 2.10 This Policy will be reviewed and revised on a periodic basis. It is anticipated that reviews will be conducted every five (5) years or more frequently as required.
- 2.11 Goods and/or services NOT subject to this Policy are listed in Schedule "B". The final determination of whether goods and/or services qualify for exemption under Schedule "B" shall be determined by the City Treasurer (or delegate).
- 2.12 Additional information on the administration of the procurement process can be found in Schedule "E" entitled Materials Management Guidelines.
- 2.13 Where a Service Area does not involve the complete utilization of the City's Purchasing and Supply Division as the procurement agent (e.g., small value contracting, or call-ups under the standing offer agreement, or user-administered tenders) then the Service Area is responsible for: Disclosing designated substances; Including designated substance and asbestos clauses in the

tender/contract documents (Refer to Asbestos Management Program Appendices), and providing Pre-Demolition, Alteration or Renovation surveys to include pre-existing designated substance information.

- 2.14 In accordance with Ontario Regulation 191/11 under the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) as amended, the City of London shall consider accessibility criteria and features when procuring or acquiring goods, services, or facilities, except where it is not practicable to do so. In which case, an explanation will be provided upon request.
- 2.15 No purchase of goods and services associated with computer software, hardware and/or telecommunications equipment will be authorized without the completion of appropriate Information Technology reviews as determined by Information Technology Services and the authorization, in writing, of the Director, Information Technology Services (or delegate).
- 2.16 When Grants or Stimulus Funding are received by the City, the use of that funding for Procurements is subject to the Procurement of Goods and Services Policy, notwithstanding any specific conditions placed by the provider.

3. Definitions

In this Policy, unless a contrary intention appears,

‘Acting’ means the formal delegation of approval authority by the person in the position of authority to the person acting in that role on a temporary basis.

‘Addendum’ (Addenda) means the form of a document used to officially change, add and/or delete information contained within a Competitive Bid. By issuing an Addendum, the Competitive Bid itself changes to incorporate the Addendum.

‘Agreement’ means a formal written legal agreement or contract for the supply of goods, services, equipment or construction.

‘Award’ means a bid is formally accepted by the City and has obtained the required approval as defined in Section 8.5 and Schedule “A”. An award may be executed by the issuance of a Purchase Order, Contract Record or formal Agreement.

‘Best Value’ means the optimal balance of performance and cost determined in accordance with a pre-defined evaluation plan. Best value may include a time horizon that reflects the overall life cycle of a given asset.

‘Bid’ means a response to a competitive bid issued by the City.

‘Bidder’ means a person, corporation or other entity that responds, or intends to respond to a competitive bid.

‘Bid Deposit’ means currencies, certified cheques, bid bond issued by a surety company licensed to operate by the Government of Canada or the Province of Ontario or another form of negotiable instrument acceptable to the City to compensate the City if the successful bidder does not enter into a contract.

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

‘City’ means The Corporation of the City of London.

‘City Manager’ means a person, or person ‘acting’ in this capacity serving as the head of Civic Administration. The City Manager may also exercise the approval authority of a Deputy City Manager.

‘City Treasurer’ means a person, or person ‘acting’ in this capacity with chief responsibility for Corporate Finances at the City (Deputy City Manager, Finance Supports and City Treasurer, Chief Financial Officer).

‘Certificate of Clearance’ from the Workplace Safety and Insurance Board means a certificate issued by an authorized official of the Workplace Safety and Insurance Board certifying that the Board waives its rights under Subsection 141(10) of the Workplace Safety and Insurance Act, R.S.O. 1997, as amended.

‘Committee’ means the authorizing body (as amended by City Council) that provides initial approval prior to seeking Council approval.

‘Competitive Bid’ means REOI, RFI, RFQUAL, RFP, IRFQ, RFQ or RFT as further defined in this section.

‘Consultant’ means an external subject matter expert that provides advisory services and/or direction to City Staff when the City requires competency and/or capacity for a particular procurement that is not available in-house, excluding legal, employment and labour relations services.

‘Contract’ means any formal or deliberate written agreement for the purchase of goods, services, equipment or construction including but not limited to Purchase Order and Agreement. Standard contracts are used for the acquisition of goods and/or services for a specific requirement. Corporate contracts are used for the acquisition of goods and/or services for a group of specific requirements.

‘Contracting’ means any formal or deliberate written agreement for the purchase of goods, services, equipment or construction including but not limited to Purchase Order and Agreement. Standard contracts are used for the acquisition of goods and/or services for a specific requirement. Corporate contracts are used for the acquisition of goods and/or services for a group of specific requirements.

‘Conflict of Interest’ means a situation in which the personal interests of Deputy City Managers, officers and key staff member come into conflict, or appear to come into conflict, with the interests of the City.

‘Contract Record’ means a document which summarizes the goods and/or services to be purchased.

‘Declaration Respecting Workers’ Compensation Act, R.S.O. 1990/Corporations Tax Act’ means a declaration that the bidder has paid all assessments or compensation payable and has otherwise complied with all requirements of the Workplace Safety and Insurance Board and that the bidder has paid all taxes and/or penalties imposed on it pursuant to the Corporations Tax Act, R.S.O. 1990, CHAPTER C.40, as amended.

‘Delegate’ means a person who has been delegated approval authority by a position with authority under this Policy (Section 8.7).

‘Delegation of Approval Authority’ means the formal delegation of authority to perform a specific task or approval by a person in a position with authority under this Policy (Section 8.7), resulting in a ‘delegate’.

‘Delegation of Approval Authority List’ means a list prepared by the Deputy City Manager granting the formal delegation of authority to perform a task or approval (Section 8.7).

‘Dispute Committee’ means a committee comprised of the Manager of Purchasing and Supply (or delegate), the City Treasurer (or delegate), the City Manager (or delegate), and the Deputy City Manager of the client service area involved.

‘Elected Official’ means a member of (London) City Council.

‘Emergency’ means a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act whether intentional or otherwise.

‘Employee - Employer Relationship’ means a worker agrees to work for the City, on a full-time or part-time basis, for a specified or indeterminate period of time, in return for wages or a salary. The City has the right to decide where, when and how the work is to be done.

‘Executed Agreement’ means a formal agreement, either incorporated in the bid documents or prepared by the City or its agents, to be executed by the successful bidder and the City.

‘Fairness Advisor’ means an external resource who focuses on the procurement process and the case law for a procurement, but is also required to have a business perspective and may provide advice to the City.

‘Fairness Commissioner’ means an external resource who works concurrently with the City’s procurement process to proactively make the process fairer and certifies the work at the conclusion. The Commissioner will provide direction to the City as required.

‘Fairness Monitor’ means an external resource who oversees a procurements’ procedural fairness, transparency and adherence, particularly as it relates to the procurement process and provides feedback to the City.

‘Goods and/or Services’ means supplies, services, materials and equipment of every kind required to be used to carry out the operations of a service area.

‘Informal Request for Quotation’ or ‘IRFQ’ means a request for prices on specific goods and/or services from selected suppliers which are submitted in writing, or as specified in the Informal Request for Quotation.

‘Insurance Documents’ means official original documents issued by an insurance company acceptable to the City and, preferably, licensed to operate by the Government of Canada or the Province of Ontario certifying that the bidder is insured

in accordance with the City's insurance requirements and completed on the City standard insurance form(s); as contained in the bid document.

'Irregular Result' is defined in Section 8.10.

'Irregularities Contained in Bids' is defined in Schedule "C" and includes the appropriate response to those irregularities.

'Irrevocable Letter of Credit' means an irrevocable letter on the financial institution's standard form containing a request that the party to whom it is addressed pay the bearer or a person named therein money as a result of failure to perform or fulfill all the covenants, undertakings, terms, conditions and agreements contained in a contract.

'Labour and Material Bond' means a bond issued by a surety company on the City standard Form of Bond to ensure that the contractor will fulfill its obligations to its employees, subcontractors and suppliers and thereby protects the City.

'Letter of Agreement to Bond' means a letter or other form issued by a surety company licensed to operate by the Government of Canada or the Province of Ontario advising that, if the bidder is successful the bonding agency will issue the required bonds.

'Manager of Purchasing and Supply' means a person responsible for the Purchasing and Supply section at the City. For the purposes of this Policy, when 'Manager of Purchasing and Supply' appears it does not include staff that has been delegated approval authority by the 'Manager of Purchasing and Supply', unless otherwise noted.

'Deputy City Manager' means a person, or person 'acting' in this capacity responsible for a service area at the City.

'Obsolete' means City assets that are no longer current or have no functional use due to being replaced by newer assets and still may have some economic value.

'Pecuniary Interest' means the opportunity, directly or indirectly, to profit or share in any profit derived from a competitive bid or agreement.

'Performance Bond' means a bond issued by a surety company on the City standard Form of Bond executed in connection with a contract and which secures the performance and fulfillment of the undertakings, covenants, terms, conditions and agreements contained in the contracts. These may also be in the form of 'renewable performance bonds'.

'Professional Consulting Services' means a consulting firm, engineer or architect providing professional knowledge or construction design or technical expertise.

'Program Administrator' means a person who has been given the responsibility to maintain and monitor the purchasing card program at the City.

‘Proponent’ means the respondent to a Request for Proposal (RFP).

‘Purchase Order’ means the standard City procurement document issued by Purchasing and Supply to formalize a purchasing transaction with a supplier.

‘Purchasing Card’ means a credit card provided by the City’s Finance area and its use is bound by the provisions of the Procurement of Goods and Services Policy.

‘Purchase Requisition’ means a duly authorized written or electronically produced request in an approved format to obtain goods or services.

‘Request for Expression of Interest’ or ‘REOI’ means a focused market research tool used to determine supplier interest in a proposed procurement. It may be issued simultaneously with a Request for Qualifications (RFQUAL) when the proposed procurement is well defined and the purchaser has clear expectations for the procurement.

‘Request for Information’ or ‘RFI’ means a general market research tool to determine which products and services are available, scope out business requirements, and/or estimate project costs which may be used prior to issuing another type of competitive bid.

‘Request for Proposal’ or ‘RFP’ means a process where a need is identified, but the method by which it will be achieved is not prescribed at the outset. This process allows prospective suppliers to propose solutions or methods to arrive at the desired result.

‘Request for Qualifications’ or ‘RFQUAL’ means a request for list of qualified suppliers and firms who have an interest in providing services to the City, typically through a two-stage process.

‘Request for Quotation’ or ‘RFQ’ means a request for prices on specific goods and/or services as specified in the Request for Quotation.

‘Request for Tender’ or ‘RFT’ means a request for sealed bids which contain an offer in writing to execute some specified services, or to supply certain specific goods, at a certain price, in response to a publicly advertised request for bids.

‘Scrap’ means City assets that no longer have the ability to function for their original design in their current state and have minimal economic value other than primarily for recycling value.

‘Sealed Bid’ means a formal sealed response received as a part of a competitive bid.

‘Single Source’ means that there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specifications. Further qualifications appear in the definition in Section 14.4.

‘Sole Source’ means that the goods and/or services are available from only one supplier. Further qualifications appear in the definition in Section 14.3.

‘Substantive Objection’ means an unsuccessful bidder requests moving to the third stage of dispute resolution as prescribed in Section 2.9.

‘Supplier’ means any individual or organization providing goods or services to the City including but not limited to contractors, consultants, suppliers, service organizations etc.

‘Surplus’ means City assets that exceed the portion that is utilized by the City, may be current, may have functional use and still have some economic value.

‘Tender’ means a sealed bid which contains an offer in writing to execute some specified services, or to supply certain specified goods, at a certain price, in response to a publicly advertised request for bids.

‘Triggering Event’ means an occurrence resulting from an unforeseen action or consequence of an unforeseen event, which must be remedied on a time sensitive basis to avoid a material financial risk to the City or serious or prolonged risk to persons or property.

‘Value Analysis’ means a life cycle costing approach to valuing a given alternative, which calculates the long term expected impacts of implementing the particular option.

4. Responsibilities

4.1. General Responsibilities

- a. All City staff delegated with approval authority (Section 8.7) shall follow the guidelines as set out in Schedule “D” ‘A Statement of Ethics for Public Purchasers’ established by the Ontario Public Buyers’ Association, as well as the City’s Conflict of Interest Policy, and Section 5 below.
- b. Procurement activities shall be subject to all applicable City policies and by-laws, any specific provisions of the Municipal Act, and all other applicable Federal and Provincial legislation.
- c. Failure to adhere to the requirements outlined in this Policy may lead to disciplinary action up to and including termination of employment.
- d. No provision of this Policy precludes a Deputy City Manager or the Manager of Purchasing and Supply with the concurrence of the City Manager from recommending an award to Committee and City Council where:
 - i. in the opinion of a Deputy City Manager, it is in the best interest of the City to do so; or
 - ii. it is a matter of procurement procedure and, in the opinion of the Manager of Purchasing and Supply, it is in the best interest of the City to do so.

4.2. City Manager

The City Manager has the authority to instruct the Deputy City Managers not to award contracts and to submit recommendations to Committee and City Council for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interest of the City.

4.3. Deputy City Managers

- a. Have responsibility for all procurement activities within their service areas and are accountable for achieving best value while following the Procurement of Goods and Services Policy;
- b. Have the authority to delegate approval authority to staff at the appropriate levels within their service areas (Section 8.7);
- c. The Deputy City Managers have the authority to award contracts in the circumstances specified in this Policy provided that the delegated power is exercised within the limits prescribed in Schedule “A” and the requirements of this Policy are met; and

- d. When the Deputy City Manager is of the opinion that a Triggering Event has occurred, the Deputy City Manager may authorize the purchase of such goods and/or services as is considered necessary to remedy the situation without regard to the requirement for a competitive bid and may approve the necessary contract amendment. The relevant details surrounding the Triggering Event shall be included in a report and submitted to Committee as soon as possible.

4.4. City Treasurer

The City Treasurer is responsible for:

- a. Overseeing the Purchasing and Supply function;
- b. Maintaining ownership over the Procurement of Goods and Services Policy; and
- c. Approval authority as outlined in Schedule “A” and 8.5.

4.5. Manager of Purchasing and Supply

The Manager of Purchasing and Supply is responsible for:

- a. The integrity of the procurement process with the exception of those items listed in Schedule “B”;
- b. Providing professional procurement advice and service to City staff.
- c. Awards within the authority of the Deputy City Manager (or delegate) for which the Manager of Purchasing and Supply may award a contract on behalf of these positions provided that Purchasing and Supply is in receipt of a funded requisition and the requirements of this Policy are met;
- d. Monitoring compliance with this Policy;
- e. Notifying the Senior Leadership Team, in advance if possible, of non-compliance with this Policy;
- f. Rejecting any Purchase Requisitions for services where the services could result in the establishment of an employee – employer relationship; and
- g. Creating and revising administrative procedures and directions respecting:
 - i. the preparation and development of specifications;
 - ii. the requirements and form of bid deposits;
 - iii. other securities and documentation required or advisable for sealed bids;
 - iv. procedures for the opening, evaluation and recommendation of bid documents; and
 - v. such other matters of an ancillary or incidental nature to more fully carry out the intent and purpose of this Policy.

4.6. Committee and City Council Approval

Despite any other provision of this Policy, the following contracts are subject to Committee and City Council approval:

- a. Any contract requiring approval from the Ontario Municipal Board;
- b. Any contract prescribed by Statute to be made by City Council;
- c. Where a recommendation is being made to amend the total value of a contract in excess of the original bid (plus contingency), and;
 - i. it is an amount greater than \$50,000 or 3%; or
 - ii. in the opinion of the City Treasurer, funds are not available for the additional expenditure.
- d. Where a Substantive Objection (see definition in Section 3), emanating from the competitive bid has been filed with the City Treasurer prior to award of the contract;
- e. Where there is an irregular result (see Section 8.10); and
- f. Where authority to approve has not been expressly delegated.

5. Conflict of Interest

- 5.1 No elected official, appointed officer or employee of the City shall have any pecuniary or controlling interest either direct or indirect in any competitive bid or contract for the supply of goods or services to the City, unless such pecuniary interest is disclosed by the contractor, bidder or person submitting a quotation, as the case may be, or unless such pecuniary interest would be exempt under the Municipal Conflict of Interest Act.
- 5.2 Competitive bid documents shall include a section that requires and provides for the disclosure of any pecuniary interest prior to submission of the bid. Should a conflict of interest arise after the award of a contract, the conflict shall immediately be disclosed in writing to the Manager of Purchasing and Supply. Further, all competitive bid documents and agreements shall provide that in the event that a contract is awarded to a person who has not, during the bidding or contracting process, disclosed the pecuniary interest of an elected official, appointed officer or employee of the City in the contract, the contract may be cancelled at any time by the City in its entire discretion without damages or penalty.
- 5.3 In this section, 'controlling interest' means the interest that a person has in a corporation when the person beneficially owns, directly or indirectly, or exercises

control or direction over, equity shares of the corporation carrying more than ten percent (10%) of the voting rights attached to all equity shares of the corporation for the time being outstanding.

- 5.4 For the purposes of this section, a person has an indirect pecuniary interest in any competitive bid or agreement entered into by a corporation, if:
- a. The person or his or her nominee is a shareholder in or a Deputy City Manager or senior officer of a corporation that does not offer in securities to the public; or
 - b. Has a controlling interest in or is a Deputy City Manager or senior officer of a corporation that offers securities to the public.
- 5.5 For the purposes of this section, an elected official, appointed officer or employee of the City has an indirect pecuniary interest if the person is a partner of a person or is in the employment of a person or body that has entered into a tender, proposal, quotation or contract with the City.
- 5.6 For the purposes of this section, the pecuniary interest in a Tender, Proposal, Quotation or contract of a parent or spouse or any child of an elected official, appointed officer or employee shall, if known to the person, be deemed to be also the pecuniary interest of the elected official, appointed officer or employee as the case may be.

6. Prohibitions

6.1 Division of Contracts

No employee of the City shall divide a purchase or a contract to avoid the requirements of the Tender, Proposal, Quotation or Purchasing Card procedures. Nor shall purchases be split in order to circumvent prescribed spending authority dollar limits as outlined in this Policy.

6.2 Interference in the Procurement Process

- a. Elected officials, appointed officers and employees shall not knowingly cause or permit anything to be done or communicated to anyone in a manner which is likely to cause any potential supplier to have an unfair advantage or disadvantage in obtaining a contract for the supply of goods and/or services to the City. This also includes a contract with any other municipality, local board or public body involved in the purchase of goods and/or services either jointly or in cooperation with the City.
- b. Elected officials shall separate themselves from the procurement process and have no involvement whatsoever in specific procurements. Elected officials should not see any documents or receive any information related to a particular

procurement while the procurement process is ongoing. Elected officials who receive inquiries from suppliers related to any specific procurement shall immediately direct those inquiries to the Manager of Purchasing and Supply, or the City Treasurer.

- c. The only exception to the above relates to selection of external auditors or an integrity commissioner whereby elected officials are specifically part of the evaluation team.

6.3 Official Point of Purchasing Contact and Lobbying Prohibition

- a. The City is committed to the highest standards of integrity with respect to the purchase of goods and/or services and managing the processes by which goods and/or services are acquired. The official point of purchasing contact shall be a member of the Purchasing and Supply Team. Should it be necessary or desirable to have a contact person to respond to technical issues that person shall be named in the competitive bid documents. All communications will be made by these individuals and during the procurement process, no bidder or person acting on behalf of the bidder or group of bidders shall contact any elected official, consultant or any employee of the City to attempt to seek information or to influence the award of the contract. Any activity designed to influence the decision process, including, but not limited to, contacting any elected official, consultant or employee of the City for such purposes as meetings of introduction, social events, meals or meetings related to the selection process, shall result in disqualification of the bidder for the project to which the influential activity is deemed to be directed.

Notwithstanding the foregoing, this prohibition does not apply to meetings specifically scheduled by the City Purchasing and Supply group for presentations or negotiations. Any bidder found to be in breach of this Policy shall be subject to immediate disqualification from the procurement process and may be prohibited from future opportunities at the discretion of City Council.

- b. In addition, no bidder who has been awarded the contract shall engage in any contact or activities in an attempt to influence any elected official or any employee of the City with respect to the purchase of additional enhancements, options, or modules. However, a contractor may communicate with the appropriate member of the Purchasing and Supply Team, the Manager of Purchasing and Supply or the City Treasurer for purposes of administration of the contract during the term of the contract.
- c. The determination of what constitutes influential activity is in the sole discretion of the Manager of Purchasing and Supply, acting reasonably, and not subject to appeal.

- d. Contract award decisions shall be based on clear, transparent and objective criteria that is applied free from political considerations or political interference.

7. Procurement Documentation

- 7.1 In order to maintain consistency, Purchasing and Supply shall provide guidelines to the City Manager and/or Deputy City Manager on procurement policies and procedures and on the structure, format and general content of procurement documentation.
- 7.2 Purchasing and Supply shall review proposed procurement documentation to ensure clarity, reasonableness and quality and shall advise the City Manager and/or Deputy City Manager of suggested improvements.
- 7.3 Procurement documentation shall avoid use of specific products or brand names.
- 7.4 Notwithstanding Section 7.3, a Deputy City Manager (or delegate) may specify a specific product, brand name or approved equal for essential functionality purposes (with consideration for operating and maintenance costs) to avoid unacceptable risk or for some other valid purpose. In such instances, the Deputy City Manager (or delegate) and Purchasing and Supply shall manage the procurement to achieve a competitive situation whenever possible.
- 7.5 The use of standards in procurement documentation that have been certified, evaluated, qualified, registered or verified by independent nationally recognized and industry-supported organizations such as, but not limited to, the Standards Council of Canada, shall be preferred.
- 7.6 Deputy City Managers (or delegate) shall:
 - a. Give consideration to Value Analysis, Sustainable Purchasing and Supplier Code of Conduct;
 - b. Ensure that adequate Value Analysis comparisons are conducted to provide assurance that the specification(s) will provide best value;
 - c. Forward the Value Analysis to Purchasing and Supply for documentation in the procurement file; and
 - d. Ensure specification(s) are set to allow for an open competitive process.
- 7.7 All substantive changes to standard clauses in competitive bid documents and standard agreements shall be reviewed and approved by the City Solicitor (or delegate).
- 7.8 Unless otherwise noted in this Policy, the Manager of Purchasing and Supply (or delegate) in conjunction with the Deputy City Manager (or delegate) shall issue bid documents for goods and/or services. Purchasing and Supply shall give notice of

the issuance of a competitive bid electronically via the internet as well as any other means as appropriate.

- 7.9 Internal Auditor shall review compliance with the Procurement of Goods and Services Policy, and report to the Audit Committee as set out in their audit plan.

8. Approval Authority and Reporting Requirements

- 8.1 Any person delegated approval authority pursuant to this Policy shall ensure that an approved budget, as described in Section 17 of this Policy, exists for the proposed procurement and that such procurement does not violate any City policies or any applicable law. Any such procurement shall also satisfy any applicable audit and documentation requirements of the City.
- 8.2 All applicable taxes, duties and shipping shall be excluded in determining the procurement limit of authorized delegates and the type of procurement process to be followed.
- 8.3 The dollar values identified in this section represent the annual estimated procurement value for a good and/or service to be procured. The annual estimated procurement value is the cumulative value spent over a twelve (12) month period for a particular good and/or service.
- 8.4 In the case of multi-year supply and/or service contracts, the preauthorized expenditure limit shall refer to the estimated annual expenditure under the contract.
- 8.5 The following body and persons shall have the respective approval authority as set out below (see summary in Schedule "A"). All dollar values are based on annual amounts and must be within pre-approved budgeted limits.
- a. **Committee and City Council** must approve the following awards:
- i. RFP greater than \$100,000;
 - ii. RFT greater than \$6,000,000;
 - iii. RFQ, RFP and RFT with an irregular result greater than \$100,000 (section 8.10);
 - iv. Sole Source or Single Source greater than \$50,000;
 - v. Contract extensions greater than \$6,000,000 (section 20.2); and
 - vi. Appointment of Professional Consulting Services (Section 15) greater than \$100,000.

b. **Deputy City Managers or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)** are authorized to approve the following awards:

- i. RFQ (formal quotations) greater than \$50,000 but not exceeding \$100,000;
- ii. RFP up to \$100,000;
- iii. RFT up to \$6,000,000;
- iv. Sole Source or Single Source up to \$50,000; and
- v. Contract extensions up to \$6,000,000, for Council approved agreements that have clearly defined options to extend (Section 20.2).

c. **Deputy City Managers or any employee exercising delegated authority approval** are authorized to approve the following awards;

- i. Informal quotations up to \$50,000; and
- ii. Appointment of Professional Consulting Services not exceeding \$100,000 (Section 15).

8.6 Section 8.5 approvals may be overridden in the case of an ‘emergency’ as defined in Section 14.2 of this Policy.

8.7 **Delegation of Approval Authority**

‘Delegation of Approval Authority’ means the formal delegation of authority to perform a task or approval by a person in a position with authority under this Policy, resulting in a ‘delegate’.

a. The method for the Deputy City Managers delegating approval authority is as follows:

- i. The Deputy City Managers shall prepare a ‘delegation of approval authority list’ within their respective areas;
- ii. The list will provide evidence that the staff listed have been delegated approval authority by the Deputy City Manager;
- iii. The list at minimum, shall include the staff person’s name, title and approval limit, the list will also include any acting roles;
- iv. The list shall be updated immediately upon any change in staff or position;
- v. A copy of the list shall be sent to the Manager of Purchasing and Supply each time there is a revision;

- vi. The Manager of Purchasing and Supply will ensure the delegation of approval authority lists are available to all Purchasing and Supply Staff; and
 - vii. Purchasing and Supply staff will review the list prior to completing tasks that require approval.
- b. The Deputy City Managers and Manager of Purchasing and Supply shall develop a 'delegation of approval authority list' for the approvals and tasks they are responsible for under this Policy.
- 8.8 Only the Deputy City Managers may further delegate approval authority to their staff at the procurement values deemed appropriate. Staff that has been delegated approval authority from the Deputy City Managers to approve procurements shall have no authority to delegate this approval authority to any other person.
- 8.9 City Council may explicitly delegate further approval authority as it considers necessary from time to time, including but not limited to, any extended time periods during which City Council does not meet.
- 8.10 Irregular Result
- The client Service Area, in conjunction with Purchasing and Supply, shall submit a report to Committee and City Council and receive their approval for the award of a competitive bid greater than \$100,000 if any of the following conditions apply (if the award is less than \$100,000, the Deputy City Manager with the concurrence of the Manager of Purchasing and Supply (or delegate) may approve the award):
- a. The value of the lowest compliant bid is in excess of the City Council approved budget including any contingency allowance;
 - b. The specifications of a competitive bid cannot be met by two (2) or more suppliers;
 - c. The award is not being made to a compliant bidder(s) offering the Best Value to the City;
 - d. Where a Substantive Objection has been filed with the City Treasurer prior to award of a competitive bid; or
 - e. Where in the opinion of the Manager of Purchasing and Supply, the client Service Area award recommendation is not in the best interest of the City.
- 8.11 Reporting to Committee and City Council
- a. The Deputy City Managers shall submit an informational report on an annual basis, no later than March 1 to the Manager of Purchasing and Supply containing the details of the contract awards made under Section 8.5.c for their respective Service Areas.

- b. The Manager of Purchasing and Supply shall coordinate data collection and prepare an annual report for submission to City Council including the awards made under section 8.5 b and 8.5 c, no later than April 30. The report will only include awards that were not processed through Purchasing and Supply, unless otherwise directed by Council. Purchasing and Supply shall certify that the awards are in compliance with this Policy and where non-conformances are identified, corrective action will be taken.
- c. Where a supplier has invoiced the City a cumulative total value of \$100,000 or more in a calendar year, total payments relative to the supplier shall be included in an annual information report to Committee and City Council. The Manager of Purchasing and Supply (or delegate) shall prepare a report of all Civic Administratively Awarded Tenders for the reporting year.

9. Low Dollar Value Procurements (up to \$15,000) – as per Schedule “A”

- 9.1 Procurements up to \$15,000 shall be considered low dollar value procurements.
- 9.2 All low dollar value procurements shall utilize applicable City contracts and shall otherwise be in accordance with this Policy.
- 9.3 A corporate Purchasing Card may be used for low dollar value procurements provided the user complies with Section 18 of this Policy.
- 9.4 The Deputy City Managers may delegate approval authority to their staff for low dollar value procurements and it is their responsibility to ensure that this Policy is adhered to.
- 9.5 All information on low dollar value procurements must be documented and maintained on file.
- 9.6 Low dollar value procurements do not require an RFQ, RFP or RFT. Obtaining competitive quotes is considered a good business practice and should be obtained. An authorized Purchase Requisition submitted to Purchasing and Supply is the preferred method.

10. Informal Request For Quotation (IRFQ) (Greater than \$15,000 to \$50,000) – as per Schedule “A”

- 10.1 Procurements greater than \$15,000 but not exceeding \$50,000 are eligible to be completed through an Informal Quotation process. The Deputy City Manager or any employee exercising delegated authority is authorized to award the contract.
- 10.2 All Informal Quotations shall utilize standard applicable Service Area contracts and/or corporate contracts and shall otherwise be in accordance with the Procurement of Goods and Services Policy.

- 10.3 For procurements where there are no applicable Service Area contracts or corporate contracts, informal quotations shall be obtained by the client Service Area in the following manner:
- a. Three (3) written (use of the electronic bidding system is encouraged) bids obtained from three (3) separate potential suppliers;
 - b. A 'No Bid' response shall not be considered as a valid bid;
 - c. All suppliers shall receive the same informal quotation written information;
 - d. The informal quotation shall be awarded to the lowest compliant bid; and
 - e. Documentation on all bids, including but not limited to the prospective bidders list, bid document, bid responses and decision making rationale shall be retained in the client Service Area files in accordance with City Council approved by-laws for records retention, or a minimum of two (2) years.
- 10.4 Staff is encouraged to seek three (3) bids to ensure a more competitive process. If staff has exhausted all efforts to obtain three (3) bids and can support this with documented evidence under Section 10.3 e., a minimum of two (2) written bids is acceptable.
- 10.5 Purchasing and Supply shall assist as requested by the client Service Area, or when deemed necessary, with the Informal Quotation process. Purchasing and Supply may also conduct reviews to ensure the requirements of this section and all other applicable sections of this Policy have been met.
- 10.6 When a client Service Area requires an RFP in lieu of an Informal Quotation, the RFP shall be issued by Purchasing and Supply in the same manner as for RFP's in Section 12 and subject to the approval authority in Section 8.5.b.
- 10.7 Since the informal quotation process does not necessarily go through Purchasing and Supply, the City's standard insurance form must be completed and forwarded by the client Service Area to Insurance and Risk Management for review and input into the Insurance Program. WSIB Certificates of Clearance must be submitted to Accounts Payable at the commencement of the project and periodically as the work is completed and before final payment is released.
- 10.8 An authorized Purchase Requisition is to be sent to Purchasing and Supply and include copies of the bids received. A Purchase Order, Contract Record or Agreement will be issued to formalize the contract with selected supplier.

11. Request For Quotation (RFQ) (\$50,000 to \$100,000) – As Per Schedule "A"

- 11.1 RFQ procedures shall be used where:
- a. The item is greater than \$50,000 but not exceeding \$100,000;

- b. The requirement can be fully defined; and
 - c. Best value for the City will be achieved by an award selection made on the basis of the total lifecycle cost that meets all terms, conditions and specifications.
- 11.2 The Deputy City Manager or any employee exercising delegated authority approval and the Manager of Purchasing and Supply must jointly approve this award.
- 11.3 The Deputy City Manager or any employee exercising delegated authority approval shall provide to Purchasing and Supply a purchase request in writing containing the relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of goods, services or construction.
- 11.4 The client Service Area shall be responsible to review the competitive bid and verify that all terms, conditions and specifications of the bid are met.
- 11.5 Purchasing and Supply shall forward to the Deputy City Manager (or delegate) a summary of the bids and recommend the award of contract to the lowest compliant bid subject to review by the Deputy City Manager (or delegate) regarding specifications and contractor performance.
- 11.6 When a client Service Area requires the issuance of an RFP in lieu of a RFQ, the RFP shall be issued by Purchasing and Supply as described in Section 12 of this Policy and subject to the approval authority in Section 8.5.b.
- 11.7 The City reserves the right in its absolute sole discretion to accept or reject any submission.

12. Request for Proposal (RFP) – As Per Schedule “A”

- 12.1 The RFP procedure shall be used where:
- a. The requirement is best described in a general performance specification;
 - b. Innovative solutions are sought; and
 - c. To achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements.
- 12.2 Awards under the RFP process require the following approval:
- a. The Deputy City Manager or any employee exercising delegated authority approval and the Manager of Purchasing and Supply must jointly approve an RFP award for purchases up to \$100,000;
 - b. Committee and City Council must approve an RFP award for purchases greater than \$100,000;

- c. Committee and City Council must approve an RFP award with an irregular result greater than \$15,000.
- 12.3 The RFP process is a competitive method of procurement that may or may not include supplier pre-qualification.
- 12.4 An RFI, REOI or RFQUAL may be issued in advance of a RFP to assist in the development of a more definitive set of terms and conditions, scope of work/service and the selection of qualified suppliers.
- 12.5 An RFI, REOI and RFQUAL shall follow the same award approvals as an RFP, if applicable.
- 12.6 Purchasing and Supply shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation method for use in an RFP. This may include but not be limited to factors such as qualifications and experience, strategy, approach, methodology, scheduling and past performance, facilities, equipment, pricing, life cycle costing, standardization of product, and aspects that would support environmental procurement. Also see sections 1.5 and 1.6.
- 12.7 Deputy City Managers or any employee exercising delegated authority approval shall identify appropriate evaluation criteria from the list maintained by Purchasing and Supply for use in a RFP but are not limited to criteria from the list. Cost will always be included as a factor, as best value includes but is not limited to quality and cost.
- 12.8 The Deputy City Manager or any employee exercising delegated authority approval shall provide Purchasing and Supply with a written purchase request in a form acceptable to the Manager of Purchasing and Supply containing the budget authorization, approval authority, terms of reference and evaluation criteria to be applied in evaluating the proposals submitted.
- 12.9 A representative from Purchasing and Supply will be the lead in the RFP process. A selection committee will be formed with a minimum of three evaluators and be comprised of at least one representative from the client Service Area and one representative from Purchasing and Supply. The evaluators shall review all compliant proposals against the established criteria, reach consensus on the final rating results, and ensure that the final rating results with supporting documents, are kept in the procurement file. The Purchasing and Supply representative may or may not participate in the scoring of the proposals.
- 12.10 During the proposal process all communication with proponents shall be through Purchasing and Supply.
- 12.11 Purchasing and Supply shall forward to the Deputy City Manager (or delegate) an evaluation summary of the procurement, as well as the evaluation committee's recommendation for award of contract to the proponent meeting all mandatory

requirements and providing best value as stipulated in the RFP. The representative from Purchasing and Supply is responsible for documenting the determination of best value. The criteria and analysis to determine best value will be included (if applicable) in the report to Committee and City Council.

- 12.12 With respect to all reports initiated for RFP, a report on the sources of financing, and other financial commentary as considered appropriate, shall be prepared.
- 12.13 Reporting will not include financial summaries of bids as this information will remain confidential. Any disclosure of information shall be made by the appropriate officer in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, as amended.
- 12.14 Unsuccessful proponents may, upon their request, attend a debriefing session with a Purchasing and Supply representative to review their competitive bid. Any discussions relating to any submissions other than that of the proponent present will be strictly prohibited. This debriefing session is intended to provide general feedback regarding the proponent's rating on various criteria in order to allow the proponent to understand where future improvements might be available.
- 12.15 The City reserves the right in its absolute sole discretion to accept or reject any submission.

13. Request for Tender (RFT) (Greater than \$100,000) – As Per Schedule “A”

- 13.1 RFT procedures shall be used where:
 - a. The total cost is expected to be greater than \$100,000;
 - b. The requirement can be fully defined; and
 - c. Best value for the City can be achieved by an award selection made on the basis of the lowest bid that meets all terms, conditions and specifications.
- 13.2 Awards under the RFT process require the following approval:
 - a. Committee and City Council must approve award of tenders greater than \$6,000,000;
 - b. Committee and City Council must approve award of contracts when a tender result is irregular as per Section 8.10 of this Policy; and
 - c. Results from \$100,000 to \$6,000,000 that do NOT have an Irregular Result may be awarded administratively.
- 13.3 The Deputy City Manager (or delegate) shall provide to Purchasing and Supply a purchase request in writing containing the relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of goods, services or construction. Specifications may include certain brands of

product in order to facilitate standardization of the City's inventory as per Section 7.4 of this Policy.

- 13.4 The Manager of Purchasing and Supply shall be responsible for arranging for the public disclosure of bid submissions at the time and date specified by the bid call.
- 13.5 Purchasing and Supply shall forward to the Deputy City Manager (or delegate) a summary of the bids and recommend award of the contract to the lowest compliant bidder.
- 13.6 With respect to all reports initiated for tenders, there shall be a recommendation report to Committee and City Council containing the sources of financing, and other financial commentary as considered appropriate.

The City reserves the right in its absolute sole discretion to accept or reject any submission.

14. Non-Competitive Purchases (Emergency, Sole Source, Single Source)

- 14.1 The requirement for a competitive bid process for the selection of a supplier for goods, services and construction (except for Emergencies – see 14.2) may be waived under authority of the City Manager and replaced with direct negotiations by the Deputy City Manager (or delegate) and Manager of Purchasing and Supply (or delegate) under the following circumstances.
 - a. The procurement qualifies as 'Sole Source' as defined in Section 14.3;
 - b. The procurement qualifies as a 'Single Source' as defined in Section 14.4.

14.2 Procurement in Emergencies

For the purposes of this section, "Emergency" means an event or occurrence that the City Manager or Deputy City Manager deem as an immediate threat to:

- Public health;
- The maintenance of essential City services; or
- The welfare and protection of persons, property, or the environment; and the event or occurrence necessitates the immediate need for goods or services to mitigate the emergency and time does not permit for a competitive procurement process.

In the event of an Emergency the City Manager or Deputy City Manager and their respective delegates, Fire Chief or a Deputy Fire Chief, or Chief Building Official or Deputy Chief Building Official, are authorized to enter into a purchase agreement without the requirement for a formal competitive process.

A list of pre-qualified suppliers will be used to select the suppliers, whenever possible.

Where the procurement cost to mitigate the Emergency is anticipated to exceed \$50,000, there must be a notification sent (e-mail contact is acceptable) to the Manager of Purchasing and Supply (or delegate). The steps taken to mitigate the Emergency must always be clearly documented regardless of amount and where the aggregate costs for a single supplier are in excess of \$50,000, the emergency procurement shall be reported by the responsible Deputy City Manager to Committee and City Council (including the source of financing) at the next scheduled meeting following the event. The Deputy City Manager responsible for the area leading the emergency procurement must forward the appropriate purchase requisition(s) to the Manager of Purchasing and Supply within five (5) business days after the mitigation activities associated with the emergency event have been terminated.

14.3 Sole Source

The procurement may be conducted using a Sole Source process if the goods and/or services are available from only one supplier by reason of:

- a. Statutory or market based monopoly;
- b. Competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, license, technical secrets or controls of raw material; or
- c. The complete item, service, or system is unique to one supplier and no alternative or substitute exists.

14.4 Single Source

Single Source means that there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specifications.

The procurement may be conducted using a Single Source process if the goods and/or services are available from more than one source, but there are valid and sufficient reasons for selecting one supplier in particular, as follows:

- a. An attempt to acquire the required goods and/or services by soliciting competitive bids has been made in good faith, but has failed to identify more than one willing and compliant supplier;
- b. The confidential nature of the requirement is such that it would not be in the public interest to solicit competitive bids;

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

14.5 Sole Source and Single Source – Approval and Reporting

- a. Awards which qualify to be considered as a Single Source or Sole Source process require the following approval:
 - i. the Deputy City Manager and Manager of Purchasing and Supply, must jointly approve an award not exceeding \$50,000;
 - ii. Committee and City Council must approve an award greater than \$50,000, unless otherwise permitted by this Policy.
- b. For awards under Section 14.5.a.ii, the Deputy City Manager is responsible for submitting a report to Committee and City Council detailing the rationale supporting their decision.

15. Appointment of Professional Consulting Services

15.1 General

- a. Senior management staff will be involved in the selection process for Professional Consulting Services. Specifically, Division Managers are to be involved with all projects, and Deputy City Managers and the City Manager, as appropriate for high-profile projects of increasing complexity or expense.
- b. Under no circumstances shall an extension or expansion of a consulting engagement preclude the required approvals. This includes splitting the project or scope of work into multiple phases or sections. City Council has sole authority to approve and award contracts greater than \$100,000.
- c. If a consulting engagement that has been awarded administratively then exceeds the approval threshold of \$100,000, the Deputy City Manager shall immediately prepare a report to City Council providing a status update and requesting approval to proceed (if applicable).
- d. The Deputy City Manager shall be responsible for ensuring that any substantive clause changes to the standard consulting services agreement are reviewed by the City Solicitor (or delegate) and the agreement is executed by the Mayor and Clerk.
- e. The Deputy City Manager shall be responsible for obtaining and submitting the appropriate insurance and WSIB documents to Risk Management.
- f. The Deputy City Manager shall be responsible for ensuring that all proposal responses and decision making rationale are retained in the client Service Area files in accordance with City Council approved by-laws for records retention, or a minimum of two (2) years.
- g. The Deputy City Managers shall provide the Manager of Purchasing and Supply, on an annual basis, no later than March 1, administrative awards made in their area to any Professional Consulting Service firms (Sections 15.2 and 15.3) with an aggregate total greater than \$100,000. The Manager of Purchasing and Supply shall coordinate data collection and prepare an annual Appointment of Professional Consulting Services report for submission to City Council, no later than April 30.

15.2 Consulting Engineers, Architects, Landscape Architects and Environmental Consultants

The selection of Professional Consulting Services will follow the requirements of Section 15.1; and

- a. The City's appointment of Consulting Engineers, Architects, Landscape Architects and Environmental Consultants Policy is adapted from the National

Best Practice for Consultant Selection as described in more detail in the current council adopted City of London Grouped Consultant Selection Process.

- b. A list of pre-approved firms (Consulting Engineers, Architects, Landscape Architects and Environmental Consultants) that provide professional consulting services shall be established by the Deputy City Manager for their respective areas. This candidate firm list shall be supplied to the Manager of Purchasing and Supply on an annual basis, no later than March 1.
- c. Assignments for projects which have estimated fees of less than \$100,000 shall be awarded by the Deputy City Manager to listed candidate firms based on an evaluation of the firm's competency, expertise, costs, past performance on City projects, available capacity, and the size of their operation and the particulars of the work to be done.
- d. Assignments for projects which are more complex in nature but which are within the capability of firms included on the above-mentioned pre-approved list and have estimated fees between \$100,000 and the CETA threshold for goods and services limit as amended, shall be assigned on the basis of a proposal submitted by a minimum of three (3) qualified firms from the list stating their approach to the proposed project and their experience and knowledge of projects of a similar nature. Grouped Consultant Selection process may be undertaken for more than one project if the projects are similar in nature, the consultants possess the skills necessary to undertake this type of work and efficiencies are realized by the City. The process for undertaking grouped consultant selections is further described in the latest version of the council adopted City of London Grouped Consultant Selection Process.
- e. Assignments for complex projects, or projects with estimated consulting fees greater than the CETA threshold for goods and services limit as amended, shall be awarded based on a two (2) stage process with the first stage being an open, publicly advertised expression of interest/pre-qualification stage (REOI/RFQUAL), and the second being a RFP of the short-listed firms, of which there shall be a minimum of three (3) qualified firms stating their approach to the proposed project and their experience and knowledge of projects similar in nature.
- f. The assignments outlined in parts d) and e) above and their related budget shall be subject to the approval of City Council. Prior to award by City Council, City staff will negotiate with the recommended consultant to establish estimated personnel costs and other charges required for these assignments. It is anticipated that an upset fee will be established for the first phase of the project as directed by the Deputy City Manager. City Council approval will be for the entire project noting that the consultant shall obtain the approval of the

appropriate Deputy City Manager to proceed with subsequent phases to upset limits as appropriate to the work within the limit of the budget.

- g. A consulting firm which has satisfactorily partially completed a project may be recommended for award of the balance of a project without competition subject to satisfying all financial, reporting and other conditions contained within this Policy. This should be to the financial advantage of the City due to the fact that such a consultant has specific knowledge of the project and has undertaken work for which duplication would be required if another firm were to be selected.

15.3 Other Professional Consulting Services

The selection of Professional Consulting Services which are not included under Section 15.2 will follow the requirements of Section 15.1; and

- a. Projects which have estimated fees of less than \$100,000 may be awarded by the Deputy City Manager in consultation with the Manager of Purchasing and Supply under the following circumstances:
 - i. the project requires special knowledge, skills, expertise or experience; or
 - ii. another organization is funding or substantially funding the project and has already selected a preferred firm and/or strict timelines have been placed on the funding; or
 - iii. the confidential nature of the project is such that it would not be in the public interest to solicit competitive bids; or
 - iv. the preferred firm has already been selected through a formal procurement process by another public body to provide same or similar services; or
 - v. the project requirement meets the definition of Sole Source, Section 14.3.
- b. The Deputy City Manager is responsible for detailing the rationale supporting their decision to award the recommended firm.
- c. Under this section, all professional consultant proposals must include, at minimum:
 - i. Schedule of fees;
 - ii. Methodology and timeline to complete project;
 - iii. Demonstrated experience and qualifications required to perform project; and
 - iv. List of personnel who will be directly involved in the completion of the project.

- d. All requirements for Other Professional Consulting Services (section 15.3) not meeting the selection requirements of section 15.3 a. shall follow the RFP process outlined in section 12.0.

16. Blanket Purchase Contracts

- 16.1 A Request for a Blanket Purchase Contract may be used where:
 - a. One (1) or more clients repetitively order the same goods or services and the actual demand is not known in advance; and
 - b. A need is anticipated for a range of goods and/or services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.
- 16.2 Purchasing and Supply shall establish and maintain Blanket Purchase Contracts that define source and price with selected suppliers for all frequently used goods or services.
- 16.3 To establish prices and select sources, Purchasing and Supply shall employ the provisions contained in this Policy for the acquisition of goods and/or services and construction labour and materials.
- 16.4 More than one (1) supplier may be selected for the supply of goods or services where it is in the best interests of the City.
- 16.5 Where procurement action is initiated by a Service Area for frequently used goods or services, it is to be made with the supplier or suppliers listed in the Blanket Purchase Contract.
- 16.6 In a Request for Blanket Purchase Contract, the expected quantity of the specified goods or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage adjusted for any known factors that may change usage.

17. Requirement for Approved Funds

- 17.1 The exercise of authority to award a contract is subject to the identification and availability of sufficient funds in appropriate accounts within City Council approved budget.
- 17.2 Where goods and/or services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to:
 - a. The identification and availability of sufficient funds in appropriate accounts for the current year within City Council approved budget;

- b. The requirement for the goods or services will continue to exist in subsequent years and, in the opinion of the City Treasurer, the required funding can reasonably be expected to be made available; and
- c. The contract containing a provision that the supply of goods or services in subsequent years is subject to the approval by Committee and City Council of the Service Area estimates to meet the proposed expenditures.

17.3 Construction Tender Call Before and After Approvals

- a. Following the adoption of the capital budget by City Council, the Manager of Purchasing and Supply is authorized to call tenders for municipal construction projects and the acquisition of equipment.
- b. Notwithstanding Section 17.3.a., the Manager of Purchasing and Supply is authorized to obtain, prior to the adoption of the capital budget by City Council, sealed bids for material construction projects and equipment, provided that the documents include a clause specifically stating that the acceptance of a bid and placing of the order is subject to budget approval by Committee and City Council and the items specified are subject to change in quantity and/or deletion.

18. Purchasing Cards

18.1 General

- a. Service Area approved employees will be issued Purchasing Cards to use for low-dollar purchases of goods and/or services in support of sound business practices. Purchasing Card provision is based on the need to purchase goods and services for the City and the card may be revoked based on change of assignment or location. The provision of a Purchasing Card is not an entitlement nor reflective of title or position. Cardholders should be mindful that the Purchasing Card is a credit card and the transactions charged to it are ultimately paid for with public funds.
- b. Benefits of the Corporate Purchasing Card program accrue at the Corporate Finance level by reducing the number of invoices and cheques processed at the supplier level by reducing their invoicing to the City, and the turnaround time for payment.
- c. No employee shall use a Purchasing Card to purchase goods and/or services unless appointed and authorized by the employee's Deputy City Manager (or delegate). Any use of a Purchasing Card shall be in accordance with the Procurement of Goods and Services Policy and all other applicable City by-laws and policies. The requirements for low dollar purchases are specifically covered under Section 9 of the Procurement of Goods and Services Policy.

Deputy City Managers are ultimately responsible for ensuring that purchases within their Service Area are made in accordance with the applicable by-laws and policies.

- d. A Purchasing Card will be issued once the employee has read, signed and submitted the Cardholder Responsibility—Acknowledgement Form to the Program Administrator, which sets out in writing the employee’s responsibilities and restrictions regarding the use of the Purchasing Card.
- e. All Purchasing Cards issued will have a predetermined ‘single transaction limit’, a ‘monthly credit limit’ and ‘blocked commodities’ as determined and authorized by the applicable Deputy City Manager (or delegate) and the City Treasurer. All Purchasing Cards will be blocked from obtaining cash advances. (Cash advances may be permitted in the event of an emergency as deemed necessary and pre-approved by the Cardholder’s Deputy City Manager).
- f. The dollar limit for individual purchases and monthly spending limit for each employee will be determined by the Deputy City Manager (or delegate) of their Service Area based on their expected level of procurement and type of procurement. Cardholder limits for single or monthly transactions exceeding the low dollar procurement threshold set out in section 9 of this policy must be approved in writing by the Manager of Purchasing and Supply and fall within a predetermined limit structure.
- g. Suppliers will not be rejected for refusing to accept the Purchasing Card.
- h. The City assumes liability for all authorized charges on the Purchasing Cards, not the individual cardholder.

18.2 Program Administration, Audit and Monthly Reconciliation

- a. Oversight and administration of the Purchasing Card program is the responsibility of Financial Services and a Program Administrator has been identified in this area. The Program Administrator will maintain a master list of all Purchasing Cards and their limits. In addition, the Program Administrator will establish reporting mechanisms for monthly reconciliation of accounts.
- b. All transactions are subject to review by internal and/or external audit groups. Quarterly reviews to ensure compliance with the Procurement of Goods and Services Policy will be performed by the Manager of Purchasing and Supply. Periodic reviews to ensure compliance with other approved Council by-laws and policies will be performed by Financial Services. All serious compliance issues will be reported to the City Treasurer and Internal Auditor. Less significant compliance issues will be directed to the cardholder’s supervisor/manager. A record of all compliance issues will be maintained by the Program Administrator.

- c. All requests for Purchasing Cards, maintenance forms and other documents are to be submitted to the Program Administrator for review and processing. Cardholder or cardholder representatives are not permitted to submit forms directly to the bank. All original cardholder agreements and other cardholder maintenance forms are to be maintained by the Program Administrator.
- d. Payment will automatically be withdrawn from the General Operating Bank Account following the monthly statement date. If individual cards have not been reconciled and approved for payment by the deadline each month, expenditures will be charged directly to the default cost center attached to the card. The Cardholder, with the assistance of Service Area representatives; are responsible to ensure that the statement is submitted and the expenditures are allocated to the correct general ledger accounts.
- e. Reconciled and authorized monthly statements are to be submitted to Corporate Finance no later than the last working day of the month. Each transaction must include an explanation or purpose of the expenditure. Prior to approval, the Cardholder is responsible for detecting and addressing merchant errors or fraudulent activity appearing on the monthly statement.
- f. Cardholders shall provide original detailed and itemized receipts for each transaction with the monthly cardholder statement. If circumstances arise where a detailed receipt cannot be obtained, a Declaration Form may be submitted in place of a detailed receipt. Declaration Form limits and procedures shall be determined by the City Treasurer (or delegate).

18.3 Responsibilities and Restrictions

- a. The Purchasing Card shall not be used:
 - i. for any purchase of goods and/or services that are prohibited under the Procurement of Goods and Services Policy any other City by-law or policy;
 - ii. for personal use other than incidental personal use as part of a business expense, which must be reimbursed at the time of the monthly reconciliation;
 - iii. when the total purchase price exceeds the single purchase limit on the card;
 - iv. when an exclusive contract with another supplier is in effect for the goods and/or service (unless pre-authorized in writing by the Manager of Purchasing and Supply);
 - v. for items which are stocked at Supply Services except under extenuating circumstances;
 - vi. for any computer software, hardware and/or telecommunications equipment such as telephones, cellular phones, tablets and mobile radios except by

designated staff in Information Technology Division authorized by the Director, Information Technology Services (or delegate); and

- vii. for the purchase of services involving contractors.
- b. The following items require pre-authorized written approval by the cardholder's Deputy City Manager:
 - i. The purchase of prepaid gift cards, prepaid gift certificates, prepaid grocery cards, or any other prepaid merchant cards; or
 - ii. The purchase of alcohol while on City business, team building, employee appreciation, or otherwise. Note: alcohol purchased for resale to the public at City facilities (e.g. Golf Courses) is exempted from this specific restriction.

A copy of the written approval must be included with the monthly statement when submitted to Financial Services.

- c. Individual transactions are not to be subject to splitting or stringing, which is the practice of committing multiple purchasing card transactions to circumvent delegated authority levels and thus bypassing the City's competitive bidding process, nor are Purchasing Cards to be used on a repetitive basis to circumvent prescribed approval authority limits. With the appropriate approvals, cardholder limits may be increased either temporarily or permanently based on need by contacting the Program Administrator or submitting an authorized Cardholder Maintenance Form.
- d. All refunds and credits must be applied to the original Purchasing Card. Where supplier return policies allow, cardholders are not to return products for refunds in the form of cash, gift cards or other prepaid cards.
- e. Permanent full-time employment status is required to obtain a Purchasing Card. Students, contractors, consultants or seasonal employees will not be granted a card except under special circumstances and approved in writing by the City Manager.
- f. The Purchasing Card is user-specific and therefore no employee shall attempt to purchase an item using a card issued to another employee. Delegation of authority is not permitted in making transactions.
- g. The cardholder's supervisor/manager is responsible for notifying the Program Administrator immediately upon any change in the cardholder's employment status. This includes, but is not limited to termination, layoff, leave of absence and long term disability. If applicable, the plastic card should also be returned to the Program Administrator.

- h. Employees will adhere to the Corporation's Code of Conduct, An example of prohibited behaviour includes using one's position with the Corporation to secure advantage, benefit, favour, additional compensation and/or service for including but not limited to, oneself, relatives, friends or associates. This includes the selection of a supplier based upon 'air miles' or 'reward points' that reward customers for purchases.
- i. When a Purchasing Card is used to procure goods and/or services (including meals or items that would be considered personal in nature) and two (2) or more City employees are present, the most senior person in organizational authority must pay for the expenditure and prepare the respective monthly cardholder statement. If this is not feasible, the cardholder statement listing the expenditure shall be approved by the manager or Expense Review Officer, as outlined in the Corporate Travel and Business Expense Policy of the most senior person in authority present.

18.4 Purchasing Card Security and PIN

Cardholders must protect and maintain security on the Purchasing Card by:

- a. safeguarding the Purchasing Card and PIN;
- b. not sharing the Purchasing Card with another individual;
- c. not leaving the Purchasing Card information with merchants unless authorized by the Manager of Purchasing and Supply; and
- d. not referencing Purchasing Card account numbers and expiry dates in emails.

18.5 Misuse and/or Failure to Meet Cardholder's Responsibilities

Misuse of the Purchasing Card and/or failure to meet any of the Cardholder's responsibilities may result in cancellation of the employee's authority to use a Purchasing Card and/or further disciplinary action up to and including termination of employment.

19. Bid Administration

19.1 Submission of Bids

The City uses an electronic bidding system. The bidding rules are contained within the system.

19.2 Bid Irregularities

Where a bid is received that includes irregularities, the City will follow the protocol as appropriate for the particular irregularity. The protocol for bid irregularities and their associated responses are detailed in Schedule "C". Mandatory Requirements MUST be met or there will be an Automatic rejection.

19.3 No Acceptable or Equal Bids

- a. Where bids are received that exceed budget, are not responsive to the requirement, or do not represent fair market value, a revised competitive bid shall be issued in an effort to obtain an acceptable bid unless Section 19.3.b applies.
- b. The Deputy City Manager and the Manager of Purchasing and Supply jointly may waive the need for a revised competitive bid and enter into negotiations with the lowest responsive bidder, emanating from a competitive bid, under the following circumstances:
 - i. the total cost of the lowest responsive bid is in excess of the funds appropriated by City Council for the project; and
 - ii. the Deputy City Manager and the Manager of Purchasing and Supply agree that the changes required to achieve an acceptable bid will not change the general nature of the requirement described in the competitive bid.
- c. The method of negotiation shall be those accepted as standard negotiating procedures that employ ethical public procurement practices in consultation with the Manager of Purchasing and Supply.
- d. In the case of building construction contracts, where the total cost of the lowest responsive bid is in excess of the appropriation made by City Council, negotiations shall be made in accordance with the guidelines established by the Canadian Construction Documents Committee and in consultation with the Manager of Purchasing and Supply.
- e. The City reserves the right in its absolute and sole discretion to cease negotiations and reject any offer.
- f. In the unlikely event that two (2) or more compliant equal bids are submitted during a competitive bid process, Purchasing and Supply will offer an

opportunity for bidders to re- bid. Should a tie persist, the following factors will be considered:

- i. payment discount;
- ii. when delivery is an important factor, the bidder offering the best delivery date is given preference;
- iii. a bidder in a position to offer better after sales service, with a good record in this regard shall be given preference;
- iv. a bidder with an overall satisfactory performance record shall be given preference over a bidder known to have an unsatisfactory performance record or no previous experience with the City; and
- v. if the considerations above do not break the tie, equal bidders shall draw straws in no preferential order held by the Manager of Purchasing and Supply (or delegate) and witnessed by a member of the Purchasing and Supply Team. The bidder who draws the longest straw will be the winner, and thus breaking the tie.

19.4 Only One Bid Received

- a. In the event only one bid is received in response to a competitive bid, the Manager of Purchasing and Supply may return the unopened bid to the bidder when, in the opinion of the Deputy City Manager (or delegate) and the Manager of Purchasing and Supply, using criteria, based on the number of bids which might reasonably be expected on a given type of bid, additional bids could be secured. In returning the unopened bid, the Manager of Purchasing and Supply shall inform the bidder that the City may be re-issuing the competitive bid at a later date.
- b. In the event that only one bid is received in response to a request for competitive bid, the bid may be opened and evaluated in accordance with the City's usual procedures when, in the opinion of the Deputy City Manager (or delegate) and the Manager of Purchasing and Supply, the bid should be considered by the City. If, after evaluation by the Deputy City Manager (or delegate) and the Manager of Purchasing and Supply, the bid is found not to be acceptable, they may follow the procedures set out in Section 19.3.a., with necessary modifications.
- c. In the event that the bid received is found acceptable, it will be awarded as an Irregular Result under Schedule "A" of this Policy.

19.5 Exclusion of Bidders Due to Poor Performance

- a. The City Treasurer may, in consultation with the City Solicitor, prohibit unsatisfactory suppliers and contractors from bidding on any future competitive

bids for a time period appropriate with the results of the performance evaluation process as outlined in Section 20.5.

- b. Suppliers may also be prohibited from bidding on any future contract if they maintain offices, Managing Directors, or employees who are also officers, Managing Directors or employers of suppliers who have already been prohibited from bidding based on the results of the performance evaluation process as outlined in Section 20.5 of this Policy.

19.6 Exclusion of Bidders in Litigation and disputes or appeals of contract awards

- a. The City may, in its absolute sole discretion, reject a bid submitted if the bidder, or any officer or Managing Director of the bidder is or has been engaged, either directly or indirectly through another Corporation or personally, in a legal action against the City, its elected or appointed officers and employees in relation to:
 - i. any other contract or services; or
 - ii. any matter arising from the City's exercise of its powers, duties, or functions; or
 - iii. a dispute and/or an appeal of contract awards as per section 2.9.
- b. In determining whether or not to reject a bid under this clause, the City will consider whether the litigation is likely to affect the bidder's ability to work with the City, its consultants and representatives, and whether the City's experience with the bidder indicates that the City is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the bidder.

20. Contract Administration

20.1 Contractual Agreement

- a. The award of a contract may be made by way of an Agreement, Contract Record or Purchase Order.
- b. A Purchase Order or Contract Record is to be used when the resulting contract is straightforward and will contain the City's standard terms and conditions.
- c. Agreement is to be used when the resulting contract is complex and will contain terms and conditions other than the City's standard terms and conditions.
- d. It shall be the responsibility of the Deputy City Manager (or delegate) with the Manager of Purchasing and Supply and/or the City Solicitor to determine if it is in the best interest of the City to establish an agreement with the supplier.
- e. Where it is determined that Section 20.1.d is to apply, the agreement shall be reviewed for execution by the City Solicitor.

- f. Where an agreement is required, as a result of the award of a contract by delegated authority, the Mayor and City Clerk shall execute the agreement in the name of the City.
- g. Where an agreement is issued, Purchasing and Supply may issue a Purchase Order or Contract Record incorporating the formal agreement.
- h. Where an agreement is not required, Purchasing and Supply shall issue an authorized Purchase Order or Contract Record incorporating the terms and conditions relevant to the award of contract.

20.2 Exercise of Contract Renewal Options

- a. Where a contract contains an option for renewal, the Deputy City Manager may authorize Purchasing and Supply to exercise such option provided that all of the following apply:
 - i. the supplier's performance in supplying the goods and/or services or construction is considered to have met the requirements of the contract;
 - ii. any price increases are consistent with the prevailing market conditions for the goods or services being purchased;
 - iii. the facts justifying the decision to award this supplier previously are still relevant at the time of contract renewal;
 - iv. funds are available or will be available in appropriate accounts within City Council approved budget, including authorized revisions, to meet the proposed expenditure;
 - v. The Committee report, if applicable, clearly identified the options to extend;
 - vi. the Deputy City Manager and the Manager of Purchasing and Supply agree that the exercise of the option is in the best interest of the City; and
 - vii. compliance with Sections i. through v. is documented, authorized by the Deputy City Manager and forwarded to Purchasing and Supply.
- b. Approval for contract renewals and extensions shall be governed by Section 8.5 and Schedule "A".

20.3 Contract Amendments

- a. No amendment to a contract shall be made unless the amendment is in the best interest of the City.
- b. No amendment that changes the price of a contract shall be agreed to without a corresponding change in requirement or scope of work.

- c. Amendments to contracts are subject to the identification and availability of sufficient funds in appropriate accounts within City Council approved budgets including authorized amendments.
- d. Deputy City Managers may authorize amendments when:
 - i. the total amended value of the contract (original contract plus amendment) is within the approval limit as noted in Schedule "A"; or
 - ii. the contract amendment will not exceed the Council approved source of financing by an amount greater than \$50,000 or 3% of contract value, whichever is greater, and there are funds available.
- e. City Council must authorize contract amendments when:
 - i. the total amended value of the contract will be greater than the administrative (Deputy City Manager) approval threshold; or
 - ii. the total amended value of the contract will exceed the Council approved source of financing by an amount greater than \$50,000 or 3% of contract value, whichever is greater, and there are funds available.

20.4 Execution and Custody of Documents

- a. The Mayor and City Clerk are authorized as per By-law A-1 or resolution by Council to execute formal agreements in the name of the City for which the award was made by delegated authority.
- b. Purchasing and Supply shall have the authority to execute Purchase Orders and/or Contract Records issued in accordance with this Policy.
- c. Purchasing and Supply shall be responsible for the safeguarding of all original procurement and contract documents/records for the contracting of goods, services or construction for which the award is made by delegated authority.
- d. Deputy City Managers are responsible for executing and retaining all documents in accordance with Section 10.3.e of this Policy.

20.5 Performance Evaluation

- a. At the outset of a project, the client Service Area manager shall institute a performance evaluation process in contracts where the Manager and/or Purchasing and Supply determine that a performance evaluation would be appropriate.
- b. The performance evaluation shall rate the performance of the supplier, contractor or consultant on standard criteria adopted from time to time (i.e. failure to meet contract specifications, terms and conditions, health and safety violations, etc.). A copy of the introductory letter and performance evaluations shall be provided to the supplier, contractor or consultant in advance of the

contract, and shall remain constant for the duration of the contract. Performance issues must be noted in writing with a copy to the supplier, Purchasing and Supply and a copy to the Service Area project file. Performance issues must also be noted in any project meeting minutes.

- c. On completion of the project, the client Service Area manager will meet with Purchasing and Supply to review the evaluation. All supporting documents pertaining to any substandard performance and comments must be attached to the evaluation document. Purchasing and Supply will forward a copy of the completed evaluation to the supplier, contractor or consultant for their records. The supplier, contractor or consultant may request a meeting with the client Service Area manager and a representative from Purchasing and Supply to discuss the evaluation and shall have twenty (20) calendar days following delivery of the evaluation to request an appeal. This appeal shall be forwarded to Purchasing and Supply.
- d. The appeal shall be conducted by a dispute committee which will hear from both City staff or its consultants and the supplier at a time and place appointed in writing by the Committee. The decision of the Dispute Committee shall be in writing and it shall be final.
- e. The performance evaluation shall determine whether a supplier, contractor or consultant will:
 - i. be allowed to renew a contract with the City;
 - ii. be placed on a probationary list for a minimum of two (2) years during which time they shall be permitted to bid or propose work for the City with the understanding that the work will be closely monitored; or
 - iii. be prohibited from bidding on any contracts with the City during a three (3) year period, followed by a one (1) year probationary period after reinstatement as provided for in Section 19.5.
- f. In reaching a decision, the Dispute Committee shall rely upon the evaluation criteria determined in advance of the project and the results of prior performance evaluations relating to other contracts performed by the same supplier.
- g. No tender, proposal or quotation will be accepted from any supplier during the term of the suspension.

21. General

21.1 Cooperative Purchasing

- a. The City may participate with other government agencies or public authorities in cooperative purchasing where it is in the best interests of the City to do so.

- b. The decision to participate in cooperative purchasing agreements will be made by the Manager of Purchasing and Supply.
- c. The individual policies of the government agencies or public authorities participating in the cooperative competitive bid are to be the accepted by-law for that particular competitive bid.

21.2 Direct Solicitation

- a. Unsolicited proposals received by the City shall be referred to the Manager of Purchasing and Supply for review.
- b. Any procurement activity resulting from the receipt of an unsolicited proposal shall comply with the provisions of this Policy.
- c. A contract resulting from an unsolicited proposal shall be awarded on a non-competitive basis only when the procurement complies with the requirements of a non-competitive procurement, as detailed in Section 14.

21.3 Resolution of Questions

Any question involving the meaning or application of this Policy is to be submitted to the City Treasurer who will resolve the question.

21.4 Access to Information

- a. The disclosure of information received relevant to the issue of competitive bids or the award of contracts emanating from competitive bids shall be made by the appropriate officers in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, as amended.
- b. All records and information pertaining to competitive bids, which reveal a trade secret or scientific, technical, commercial, financial or other labour relations information, supplied in confidence implicitly or explicitly, shall remain confidential if the disclosure could reasonably be expected to:
 - i. significantly prejudice the competitive position or significantly interfere with the contractual or other negotiations of a person, corporation or other entity that responds, or intends to respond to a request for bids;
 - ii. result in similar information no longer being supplied to the City where it is in the public interest that similar information continues to be so supplied;
 - iii. result in undue loss or gain to any person, group, committee or financial institution or agency; or
 - iv. result in information whose disclosure could reasonably be expected to be injurious to the financial interests of the City.

21.5 Local or Geographical Preference

The City shall not give any local or geographical preference during the competitive bid process. The City may mandate certain bona fide on-site response time requirements for specific situations.

21.6 Terms and Conditions

All standard City Terms and Conditions for all procurement activities will govern unless there is written approval for the proposed changes from the Client Deputy City Manager and the City Solicitor.

21.7 Receipt of Goods

- a. Deputy City Managers or any employee exercising delegated authority approval shall:
 - i. arrange for the prompt inspection of goods on receipt to confirm conformance with the terms of the contract; and
 - ii. inform Purchasing and Supply of discrepancies immediately.
- b. Purchasing and Supply shall coordinate an appropriate course of action with the Deputy City Manager for any non-performance or discrepancies.

21.8 City of London Regional Water Supply Division

This Policy will apply to all City of London Regional Water Supply Division procurement up to the approvals required by Committee and City Council. Approvals beyond these dollar value thresholds will be made by the Joint Boards of Management for the Lake Huron and Elgin Area Water Supply Systems.

21.9 Application of Trade Agreements

This Policy is subject to applicable Trade Agreements.

SCHEDULE “A” – Levels of Contract Approval Authority

Sales taxes, excise taxes, goods and service taxes and duties shall be excluded in determining the price of a contract for the supply of goods or services for the purpose of the relationship of the price to the preauthorized expenditure limit. In the case of multi-year supply and/or service contracts, the preauthorized expenditure limit shall refer to the estimated annual expenditure under the contract. Emergencies as defined in Section 14.2 are exempt from this Approval Authority.

Dollar Value (excluding taxes, duty or shipping)	Tool / Procurement Process	Approval Authority	Policy Section
Under \$15,000	Purchasing Card or Purchase Order	Deputy City Manager or any employee exercising delegated authority approval	9
Greater than \$15,000 to \$50,000	IRFQ (Informal Request for Quotation) – three written quotes. Note: A copy of the quotes must be provided to Purchasing and Supply for their records.	Deputy City Manager or any employee exercising delegated authority approval	10
Greater than \$50,000 to \$100,000	RFQ	Deputy City Manager or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)	11
Up to \$100,000	RFP – note that Irregular Results greater than \$15,000 require Committee and City Council Approval.	Deputy City Manager or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)	12
Greater than \$100,000 to \$6,000,000	RFT without an Irregular Result	Deputy City Manager or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)	13

Dollar Value (excluding taxes, duty or shipping)	Tool / Procurement Process	Approval Authority	Policy Section
Greater than \$6,000,000	RFT	Committee and City Council	13
Greater than \$100,000	All RFQ and RFT with an Irregular Result	Committee and City Council	11,12,13 & 8.10
Up to \$50,000	Single Source or Sole Source	Deputy City Manager and Manager of Purchasing and Supply (jointly) – requires documented rationale	14.3 & 14.4
Greater than \$50,000	Single Source or Sole Source	Committee and City Council	14.3 & 14.4
Less than \$6,000,000	Contract Extensions – previously approved by City Council	Deputy City Manager and Manager of Purchasing and Supply (jointly) – requires documented rationale	20.2
Greater than \$6,000,000	Contract Extensions – previously approved by City Council	Committee and City Council	20.2
Up to \$50,000 or 3% of the Contract Value	Contract Amendments – subject to availability of sufficient funds in appropriate accounts and budget	Deputy City Manager or any employee exercising delegated authority approval OR Committee and City Council	20.3, 4.6

Note: The City Manager may also exercise the approval authority of a Deputy City Manager.

Note: For all IRFQ, RFQ, RFP, RFT as outlined under policy sections 8.10, 10, 11, 12, and 13, the criteria and analysis to determine best value must be clearly documented if not the lowest bid.

SCHEDULE “A” – Levels of Contract Approval Authority [Continued]

For the Appointment of Professional Consulting Services:

Dollar Value (excluding taxes, duty or shipping)	Tool / Procurement Process	Approval Authority	Policy Section
Less than \$100,000	Appointment from Pre-approved List	Deputy City Manager	15.2(c)
\$100,000 to the CETA threshold for goods and services limit as amended.	Proposals invited from 3 Firms on Pre-approved List	City Council	15.2(d)
Greater than the CETA threshold for goods and services limit as amended.	Two stages: REOI/RFQUAL and RFP	City Council	15.2(e)

Note: The City Manager may also exercise the approval authority of a Deputy City Manager.

SCHEDULE “B” – Goods and/or Services NOT Subject to this Policy

1. Training and Education including:
 - i. Conferences, Seminars, Courses and Conventions;
 - ii. Magazines, Subscriptions, Periodicals;
 - iii. Memberships;
 - iv. Staff Development;
 - v. Staff Workshops; and
 - vi. Staff Relations
2. Refundable Employee Expenses in accordance with the Travel and Business Expense Policy.
3. Corporate General Expenses including:
 - i. Payroll and Payroll Deductions;
 - ii. Medicals;
 - iii. Insurance Premiums, Claim Settlements and Adjuster Services;
 - iv. Tax Remittances, GST/HST Cost Recovery Reviews and WSIB Remittances;
 - v. Charges to and from Other Government Agencies;
 - vi. Development Charges;
 - vii. Postage;
 - viii. Advertising as required by the Municipal Act;
 - ix. Retirement Recognition Awards;
 - x. Investment Management Services; and
 - xi. Employee Group Benefits, Compensation, Programs, Consulting and Reviews
4. Licenses, certificates and other approvals required.
5. Election materials - The City Clerk has the authority to purchase goods, services and equipment considered necessary or advisable to carry out the requirements of the Municipal Elections Act, R.S.O. 1996, as amended. The City Clerk shall wherever possible be guided by the provisions of this Policy.

6. Ongoing maintenance and actions to maintain present functionality of existing computer hardware and software. All requests for purchases of computer systems (hardware and software that will be connected to the corporate network) must be reviewed by Information Technology Services and expressly authorized, in writing, by the Director, Information Technology Services (or delegate).
7. Professional and skilled services provided to individuals as part of approved programs within Corporate or Community Services including but not limited to medical services, home care services, counseling services and child care.
8. Professional and special services up to \$100,000, or defined more specifically in another City by- law or Council Policy, including, but not limited to:
 - i. Additional Non-recurring Accounting and Auditing Services;
 - ii. Public Debenture Sales;
 - iii. Realty Services for Lease, Acquisition, Demolition, Sale and Appraisal of Land and Property, including Appraisal and Consulting Services relating to matters of Expropriation;
 - iv. Performance / Artist's Fees;
 - v. Property Tax Bill Printing and Mailing Services; and
 - vi. Integrity Commissioner Services

Professional and special services exceeding \$100,000 must follow the approval process outlined on Schedule "A".

9. Utilities - Water and Waste Water, Electricity, Electrical Inspection Services, Phone and Natural Gas.
10. Construction work completed by Railways (CN and CP) and billed to the City.
11. Urgent Facilities Maintenance/Repairs/Renovations as deemed appropriate by the City Treasurer and/or City Engineer with the concurrence of the City Manager.
12. Legal Services and Labour Relations Services as deemed appropriate by the City Solicitor and/or the Deputy City Manager, Enterprise Supports (or delegate) up to \$ 250,000.
13. Construction relocations as approved by the City Utilities Co-ordination Committee.
14. Services provided for City construction projects within a railway right-of-way as required by the rail authority having jurisdiction.
15. Revenue Generation Services provided to or by the City of London with the intent to generate revenue for the City.

16. Planning and Development or Re-development Projects to purchase, sell or repurpose property or other City assets.
17. Banking Services where covered by agreements and provided either directly by the City's contracted Banking Services provider or by one of the contracted Banking Services provider's strategic partners, affiliates or holdings as deemed appropriate by the City Treasurer and with the concurrence of the City Manager.
18. Acquisition, Lease or Sale/Disposal of Real Property are not subject to this Policy. Existing council policies; Real Property Acquisitions Policy, Lease Financing Policy, and Sale and Other Disposition of Land Policy are in place to guide these processes.
19. Grant Funding, given or paid out by the City as per current Council approved Policies for Grants and/or agreements entered into by Council provides the criteria for how City of London Grant funding is provided. Grants not covered by these Policies or agreements must be approved by Council.

SCHEDULE “C” – Irregularities Contained in Bids

Irregularity	Response
1. Late bids.	Automatic rejection
2. Insufficient financial security (no bid deposit or insufficient bid deposit).	Automatic rejection
3. Failure to insert the name of the bonding company in the space provided for in the bid documents.	Automatic rejection
4. Failure to provide a letter of agreement to bond/ letter of guarantee where required.	Automatic rejection
5. Incomplete, illegible or obscure bids or bids which contain additions not called for, erasures, alterations, errors or irregularities of any kind.	May be rejected as informal – Mandatory Requirements must be met or Automatic rejection
6. Documents, in which all addenda have not been acknowledged.	Automatic rejection
7. Failure to attend mandatory site visit.	Automatic rejection
8. Bids received on documents other than those provided by the City.	Automatic rejection
9. Failure to insert the bidder’s business name in one of the two spaces provided in the bid documents.	Automatic rejection
10. Conditions placed by the bidder on the total contract price.	Automatic rejection

Irregularity	Response
<p>11. Bids containing minor mathematical errors</p>	<p>a) If the amount bid for a unit price item does not agree with the extension of the estimated quantity and the bid unit price, or if the extension has not been made, the unit price shall govern and the total price shall be corrected accordingly.</p> <p>b) If both the unit price and the total price are left blank, then both shall be considered as zero.</p> <p>c) If the unit price is left blank but a total price is shown for the item, the unit price shall be established by dividing the total price by the estimated quantity.</p> <p>d) If the total price is left blank for a lump sum item, it shall be considered as zero.</p> <p>e) If the bid documents contain an error in addition and/or subtraction and/or transcription in the approved competitive bid documentation format requested (i.e. not the additional supporting documentation supplied), the error shall be corrected and the corrected total contract price shall govern.</p> <p>f) Bid documents containing prices which appear to be so unbalanced as to likely affect the interests of the City adversely may be rejected.</p>

SCHEDULE “D” - Statement of Ethics for Public Purchasers

The Ontario Public Buyers Association’s Code of Ethics is based upon the following tenets and all employees who are authorized to purchase goods and/or services on behalf of the City are to adhere to the following:

1. Open and Honest Dealings with Everyone who is Involved in the Purchasing Process. This includes all businesses with which this City contracts or from which it purchases goods and/or services, as well as all members of our staff and of the public who utilize the services of the Purchasing and Supply Team.
2. Fair and Impartial Award Recommendations for All Contracts and Tenders. This means that we do not extend preferential treatment to any supplier, including local companies. Not only is it against the law, it is not good business practice, since it limits fair and open competition for all potential suppliers and is therefore a detriment to obtaining the best possible value for each tax dollar.
3. An Irreproachable Standard of Personal Integrity on the Part of All Those Delegated as Purchasing Representatives for This City. Absolutely no gifts or favours are accepted by the purchasing representatives of this City in return for business or the consideration of business. Also, the purchasing representatives of this City do not publicly endorse one company in order to give that company an advantage over others.
4. Cooperation with Other Public Agencies in Order to Obtain the Best Possible Value for Every Tax Dollar. The City is a member of a cooperative purchasing group. Made up of several public agencies, this group pools its expertise and resources in order to practice good Value Analysis and to purchase goods and/or services in volume and save tax dollars.
5. Continuous Development of Purchasing Skills and Knowledge. All members of the Purchasing and Supply Team take advantage of the many opportunities provided by the Ontario Public Buyers Association to further their knowledge of good public purchasing principles and to maintain excellent skills.

SCHEDULE “E” – Materials Management Guidelines

1. Materials Management and Inventory Control

The Manager of Purchasing and Supply (or delegate) shall be solely responsible for the Supply Services of all inventory and warehouse operations at Greenway Pollution Control Plant, A.J. Tyler and Exeter Road Operations centers. A system of materials management and inventory control methods shall be used to maintain an adequate level of commodities to support and supply all Service Areas.

2. Inventory Control System

- a. A physical inventory of stock items shall be taken on a periodic basis.
- b. An adequate allowance for inventory obsolescence shall be maintained.

3. Control of Goods in Use

The Manager of Purchasing and Supply (or delegate) may periodically perform a physical count and inventory of all goods that are not in inventory but are used and stored by various Service Areas. The Deputy City Manager shall provide any necessary assistance required. As a result of such a review, goods may be placed into inventory, transferred, declared surplus or otherwise disposed.

4. No Separate Procurement of Commodities in Inventory

Commodities which are available from Supply Services inventory and which are suitable for the intended end use shall not be requisitioned or purchased on a direct charge basis.

5. Disposal of Materials and Equipment Considered to be Obsolete and/or Surplus

- a. All Service Areas shall notify the Manager of Purchasing and Supply (or delegate) when items become obsolete or surplus to their requirements. Options to allow for trade-in allowance will be considered when purchasing new equipment.
- b. The Manager of Purchasing and Supply shall be responsible for ascertaining if the items can be of use to another civic Service Area rather than disposed of.
- c. Items that are not claimed for use by another Service Area may be offered for sealed bids, public auction or other public sale, depending in the opinion of the Manager of Purchasing and Supply on which method is most suitable for the equipment or material involved.
- d. Auctions are held as required dependent upon individual circumstances such as delivery of replacement items and storage capacity.

- e. The revenue from the sale of obsolete material shall be credited to the appropriate account(s).

6. Periodic Bids for Auctioneer Services

The Manager of Purchasing and Supply is authorized to obtain sealed bids for auctioneer services on a periodic basis from qualified auctioneers.

7. Disposal of Materials and Equipment Considered to be Scrap

- a. Where scrap material is available for disposal, the relevant area Manager shall inform the Manager of Purchasing and Supply who shall be responsible for the disposal of all scrap material belonging to the City.
- b. The Manager of Purchasing and Supply, after determining the value and possible alternate uses of the scrap material, may dispose of the material by:
 - i. general advertising to secure sealed bids;
 - ii. direct contact with the appropriate dealers to view the scrap and submit offers to purchase;
 - iii. public auction; or
 - iv. other methods as deemed appropriate.
- c. The revenue from the sale of scrap material shall be credited to the appropriate account(s).

- a. procurement while the procurement process is ongoing. Elected officials who receive inquiries from suppliers related to any specific procurement shall immediately direct those inquiries to the Manager of Purchasing and Supply, or the City Treasurer.
- b. The only exception to the above relates to selection of **internal** auditors or an integrity commissioner whereby elected officials are specifically part of the evaluation team.

6.1 Official Point of Purchasing Contact and Lobbying Prohibition

- a. The City is committed to the highest standards of integrity with respect to the purchase of goods and/or services and managing the processes by which goods and/or services are acquired. The official point of purchasing contact shall be a member of the Purchasing and Supply Team. Should it be necessary or desirable to have a contact person to respond to technical issues that person shall be named in the competitive bid documents. All communications will be made by these individuals and during the procurement process, no bidder or person acting on behalf of the bidder or group of bidders shall contact any elected official, consultant or any employee of the City to attempt to seek information or to influence the award of the contract. Any activity designed to influence the decision process, including, but not limited to, contacting any elected official, consultant or employee of the City for such purposes as meetings of introduction, social events, meals or meetings related to the selection process, shall result in disqualification of the bidder for the project to which the influential activity is deemed to be directed.

Notwithstanding the foregoing, this prohibition does not apply to meetings specifically scheduled by the City Purchasing and Supply group for presentations or negotiations. Any bidder found to be in breach of this Policy shall be subject to immediate disqualification from the procurement process and may be prohibited from future opportunities at the discretion of City Council.

- b. In addition, no bidder who has been awarded the contract shall engage in any contact or activities in an attempt to influence any elected official or any employee of the City with respect to the purchase of additional enhancements, options, or modules. However, a contractor may communicate with the appropriate member of the Purchasing and Supply Team, the Manager of Purchasing and Supply or the City Treasurer for purposes of administration of the contract during the term of the contract.
- c. The determination of what constitutes influential activity is in the sole discretion of the Manager of Purchasing and Supply, acting reasonably, and not subject to appeal.

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee
From: Anna Lisa Barbon, Deputy City Manager, Finance Supports
Subject: Assessment Growth for 2022, Changes in Taxable Phase-in Values, and Shifts in Taxation as a Result of Reassessments
Date: January 31, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, this report **BE RECEIVED** for information purposes.

Executive Summary

To inform the application of the Assessment Growth Policy (POL.-47(a) 241), the annual reporting of weighted assessment growth for the City of London is required. This growth represents new construction less adjustments resulting from assessment appeals and property classification changes. The total weighted assessment growth for 2022 is 1.40%.

Linkage to the Corporate Strategic Plan

Council's 2019 to 2023 Strategic Plan for the City of London identifies "Leading in Public Services" as a strategic area of focus. The information contained in this report would assist in continuing to ensure the strength and sustainability of London's finances in alignment with Council priorities of the Strategic Plan.

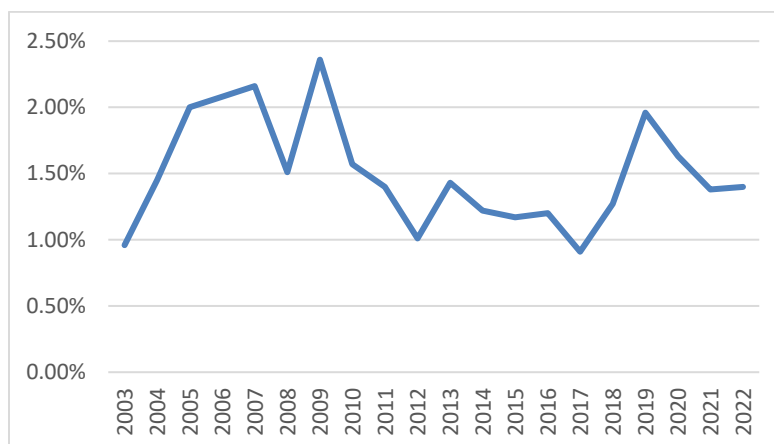
Analysis

1.0 Background Information

1.1 Annual Assessment Growth Calculation

Each year, coinciding with the budget process, weighted assessment growth is calculated as it generates incremental tax revenue. The assessment growth calculation relies on information found in reports provided by the Municipal Property Assessment Corporation (MPAC) and the Ontario Property Tax Analysis (OPTA) which are generally received in mid-December. The allocation of this incremental tax revenue is reported to Council in early March in accordance with Council's Assessment Growth Policy. This report indicates that weighted assessment growth is calculated to be 1.40% for 2022 taxation. The historical trend in weighted assessment growth is presented in graph format below in Figure 1.

Figure 1 – Weighted Assessment Growth by Year (2003 – 2022)



2.0 Discussion and Considerations

2.1 Assessment Growth

Assessment growth generally refers to the net increase in assessment attributable to new construction less adjustments resulting from assessment appeals and property classification changes. To determine the impact of assessment growth on tax revenue, assessment must be weighted with tax ratios which reflect the different tax rates applicable to the various property classes.

Measuring assessment growth also requires the use of values of a uniform base year. If a consistent base year for property valuations is not maintained, changes in assessment totals will be distorted by changes in property valuations and will not correctly reflect the actual new construction less adjustments resulting from assessment appeals and property classification changes.

Schedule “A” attached details the growth which has occurred in weighted assessment for year 2022 taxation. Assessment has been weighted using tax ratios which were applicable in year 2021. The uniform base year which has been used for the determination of property valuations is 2021 phase-in values. Schedule “A” indicates that the total weighted assessment growth for 2022 for the City is 1.40%.

Historically the City of London has recorded the following percentage weighted assessment growth in the years indicated as shown in the chart below:

Chart 1: Twenty Year Table of Weighted Assessment Growth (2003 to 2022)

Year	Weighted Assessment Growth		Year	Weighted Assessment Growth
2003	0.96%		2013	1.43%
2004	1.45%		2014	1.22%
2005	2.00%		2015	1.17%
2006	2.08%		2016	1.20%
2007	2.16%		2017	0.91%
2008	1.51%		2018	1.27%
2009	2.36%		2019	1.96%
2010	1.57%		2020	1.63%
2011	1.40%		2021	1.38%
2012	1.01%		2022	1.40%

2.2 Change in Property Valuation from Reassessment to 2016 Base Year

Change in property valuations is a separate and distinct topic from assessment growth. For year 2013 taxation, all properties in Ontario were valued using a 2012 base year for market value determination. The 2012 values were phased in over a four-year period beginning in 2013 and ending in 2016. For the years 2017, 2018, 2019, and 2020 taxation was based on phasing in 2016 market values for the four-year period.

Starting in 2021, the Province decided because of the Covid-19 pandemic situation in Ontario there would be no reassessment of properties as was previously scheduled for the 2021 property tax year. As a result, all properties in Ontario will continue to be valued based on 2016 market values in 2022.

Schedule “B” attached indicates no change will occur in the taxable phase-in values between 2021 and 2022 based on information provided by the Municipal Property Assessment Corporation (MPAC). Schedule “B” indicates that the increase in total phase-in values of all taxable properties in London from 2021 to 2022 will be 0.00% for all property classes.

2.3 Potential Shifts in Municipal Taxation between Property Classes as a result of the 2022 Phase-in Values

Schedule “C” indicates there will be no shifts in municipal taxation in 2022 between property classes as a result of the 2022 phase-in values if no changes are made to 2021 tax ratios. Schedule “C” reflects the fact that no phase-in of a reassessment is occurring in the year 2022.

Tax ratios determine how heavily a property class is taxed relative to the residential class. The tax change in the various classes including education taxes will be analysed and reviewed in greater detail later in the year after the 2022 City budget is approved by Council and all of the regulations related to 2022 tax policy and education tax rates have been finalized by the Province.

3.0 Financial Impact/Considerations

3.1 Assessment Growth Revenue Allocation

In accordance with the Assessment Growth Policy, Section 4.2, for budgeting purposes, assessment growth will be fully allocated to growth costs. Assessment growth and its allocation will be reported annually.

Conclusion

Weighted assessment growth is an important part of municipal taxation as it generates additional incremental revenue. This growth represents new construction in the municipality less adjustments resulting from assessment appeals and property classification changes which is not to be confused with changes in the value of existing properties. Total weighted assessment growth in 2022 is 1.40% (1.38% 2021).

Looking ahead, Civic Administration will be bringing forward a “Tax Policy Report” presenting alternatives for tax ratios for 2022 property taxation.

Prepared by: Joseph McMillan, CPA, CGA, Division Manager, Taxation and Revenue
Submitted by: Ian Collins, CPA, CMA, Director, Financial Services
Recommended by: Anna Lisa Barbon, CPA, CGA, Deputy City Manager, Finance Supports

SCHEDULE "A"

ANALYSIS OF 2022 WEIGHTED ASSESSMENT GROWTH USING 2021 PHASE-IN VALUES

Property Class	Weighted 2021 Assessment Roll (using 2021 Phase-in Values Per MPAC)	Weighted 2022 Assessment Roll (using 2021 Phase-in Values Per MPAC)	% Change	% of Total Assessment Growth
Commercial	\$7,662,543,047	\$7,712,471,152	0.65%	0.09%
Office Building	\$724,810,643	\$730,298,952	0.76%	0.01%
Farmland	\$48,893,864	\$48,374,355	-1.06%	0.00%
Industrial	\$738,644,696	\$757,605,437	2.57%	0.03%
Large Industrial	\$404,309,816	\$400,155,375	-1.03%	-0.01%
Multi-residential	\$3,024,653,732	\$2,982,411,416	-1.40%	-0.08%
New Multi-residential	\$38,489,900	\$225,322,700	485.41%	0.34%
Pipeline	\$188,790,587	\$190,775,097	1.05%	0.00%
Residential	\$38,530,655,409	\$39,081,497,081	1.43%	1.01%
Shopping Centre	\$3,166,413,047	\$3,164,699,563	-0.05%	0.00%
Managed Forest	\$264,700	\$263,700	-0.38%	0.00%
	\$54,528,469,441	\$55,293,874,828	1.40%	1.40%

Commercial Including Optional Classes	\$11,553,766,737	\$11,607,469,667	0.46%	0.10%
Farmland	\$48,893,864	\$48,374,355	-1.06%	0.00%
Industrial including optional classes	\$1,142,954,512	\$1,157,760,812	1.30%	0.03%
Multi-residential	\$3,024,653,732	\$2,982,411,416	-1.40%	-0.08%
New Multi-residential	\$38,489,900	\$225,322,700	485.41%	0.34%
Pipeline	\$188,790,587	\$190,775,097	1.05%	0.00%
Residential	\$38,530,655,409	\$39,081,497,081	1.43%	1.01%
Managed Forest	\$264,700	\$263,700	-0.38%	0.00%
	\$54,528,469,441	\$55,293,874,828	1.40%	1.40%

Note:

- 1) Commercial Including Optional Classes comprises: Commercial, Office Building and Shopping Centre property classes
- 2) Industrial Including Optional Classes comprises: Industrial and Large Industrial property classes.

SCHEDULE "B"
CHANGES IN TAXABLE VALUE OF PROPERTIES FOR 2022 TAXATION

Property Class	Assessments for 2022 Taxation at 2021 Phase-in Values	Assessments for 2022 Taxation at 2022 Phase-in Values	% Change
Commercial	\$4,038,667,556	\$4,038,667,556	0.00%
Office Building	\$382,355,472	\$382,355,472	0.00%
Farmland	\$470,476,127	\$470,476,127	0.00%
Industrial	\$397,308,585	\$397,308,585	0.00%
Large Industrial	\$209,505,432	\$209,505,432	0.00%
Multi-residential	\$1,744,022,785	\$1,744,022,785	0.00%
New Multi-residential	\$225,322,700	\$225,322,700	0.00%
Pipeline	\$111,369,000	\$111,369,000	0.00%
Residential	\$39,083,278,681	\$39,083,278,681	0.00%
Shopping Centre	\$1,656,910,766	\$1,656,910,766	0.00%
Managed Forest	\$1,054,800	\$1,054,800	0.00%
	\$48,320,271,904	\$48,320,271,904	0.00%
Commercial Including Optional Classes	\$6,077,933,794	\$6,077,933,794	0.00%
Farmland	\$470,476,127	\$470,476,127	0.00%
Industrial including optional classes	\$606,814,017	\$606,814,017	0.00%
Multi-residential	\$1,744,022,785	\$1,744,022,785	0.00%
New Multi-residential	\$225,322,700	\$225,322,700	0.00%
Pipeline	\$111,369,000	\$111,369,000	0.00%
Residential	\$39,083,278,681	\$39,083,278,681	0.00%
Managed Forest	\$1,054,800	\$1,054,800	0.00%
	\$48,320,271,904	\$48,320,271,904	0.00%


SCHEDULE "C"
ESTIMATED SHIFTS IN MUNICIPAL TAXATION BETWEEN PROPERTY CLASSES WITH NO CHANGE IN TAX LEVY OR RATIOS FOR
2022

Property Class	Allocation of General Levy Using 2021 Phase-in Values	Allocation of General Levy Using 2022 Values (2021 Phase-in)	% Change
Commercial	\$95,270,864	\$95,270,849	0.00%
Office Building	\$9,021,261	\$9,021,259	0.00%
Farmland	\$597,561	\$597,560	0.00%
Industrial	\$9,358,573	\$9,358,572	0.00%
Large Industrial	\$4,943,052	\$4,943,052	0.00%
Multi-residential	\$36,841,217	\$36,841,223	0.00%
New Multi-residential	\$2,783,373	\$2,783,373	0.00%
Pipeline	\$2,356,613	\$2,356,612	0.00%
Residential	\$482,767,090	\$482,767,109	0.00%
Shopping Centre	\$39,093,003	\$39,092,997	0.00%
Managed Forest	\$3,257	\$3,257	0.00%
	\$683,035,864	\$683,035,864	0.00%
Commercial Including Optional Classes	\$143,385,128	\$143,385,105	0.00%
Farmland	\$597,561	\$597,560	0.00%
Industrial including optional classes	\$14,301,625	\$14,301,623	0.00%
Multi-residential	\$36,841,217	\$36,841,223	0.00%
New Multi-residential	\$2,783,373	\$2,783,373	0.00%
Pipeline	\$2,356,613	\$2,356,612	0.00%
Residential	\$482,767,090	\$482,767,109	0.00%
Managed Forest	\$3,257	\$3,257	0.00%
	\$683,035,864	\$683,035,864	0.00%

Proclamation Request Form

Requests for the issuance of proclamations are governed by Council Policy (excerpted below). Requests must be received at least six (6) weeks in advance of the requested issuance date and may be emailed to the City Clerk at ClerksApprovalRequests@london.ca or mailed to City Hall, P.O. Box 5035 LONDON, ON, N6A 4L9.

Request details

Name of Organization	Just another parent
Date Proclamation Required	April 25th. 2022 - on.
Proclamation Name	Parental Alienation Awareness Day
Proclamation Type (day, week or month)	April 25th every year.
Category (public awareness campaigns), (charitable fundraising campaigns), (arts and cultural celebrations)	Public awareness campaing
Requester Name	Martin Berendson
Requester Telephone Number	
Requester Email Address	
Requester Address	Talbot Street London Ontario
Provide details of your Organization's Connection to London	Living the problematic issue first hand in London for more than two years now.
Required Supporting Documents	<ul style="list-style-type: none"> • Detail information on the Organization https://youtu.be/JzMSkGuqDfU • Detail information on the Event • Confirmation of authorization from the Organization to submit the request
<p>The undersigned confirms that I am the Official Representative of the Organization requesting the Proclamation and that by signing this Application, I acknowledge and agree that my organization complies with all City of London's Policies and By-laws.</p>	
 _____ Signature	_____ January 10th., 2022. Date
<p>NOTICE OF COLLECTION OF PERSONAL INFORMATION</p> <p>Personal information collected on this form is collected under the authority of the <i>Municipal Act, 2001</i>, S.O. 2001, c. 25 and may also be used for purposes related to the Issuance of Proclamations Policy and Proclamation Request Form. Questions about this collection should be addressed to the City Clerk, 3rd floor, City Hall, 300 Dufferin Ave., London, ON N6A 4L9. Tel: 519-661-2489, ext. 4937.</p>	

DEFERRED MATTERS

**CORPORATE SERVICES COMMITTEE
(as of January 24, 2022)**

FILE No.	SUBJECT	REQUEST DATE/ CLAUSE NO.	REQUESTED/ EXPECTED REPLY DATE	PERSON RESPONSIBLE	STATUS
1.1	<p>That the following actions be taken with respect to the report dated June 21, 2021 entitled “Issuance of Proclamations Policy – Pilot Program Review”:</p> <p>a) the above-noted pilot BE CONSIDERED completed;</p> <p>b) the City Clerk BE DIRECTED to bring forward proposed amendments to the Issuance of Proclamation Policy to a future meeting of the Corporate Services Committee for consideration, that would include:</p> <p>i) application process refinements to require a specific local contact in the City of London;</p> <p>ii) an expanded promotion plan for proclamations, through Corporate social media,</p> <p>iii) revisions that would permit multiple, distinct proclamation requests from the same organization;</p>	July 7, 2021 2/11/CSC	1st Quarter 2022	B. Westlake- Power	
1.2	<p>That the following actions be taken with respect to vacant residential property taxes:</p> <p>a) the Civic Administration BE DIRECTED to undertake a review, including but not limited to gathering information from other Ontario municipalities advancing this option, to determine the potential scope and feasibility of developing and implementing a vacant residential property tax on the</p>	Sept. 14, 2021 4.1/14/CSC	1st Quarter 2022	A. L. Barbon	

DEFERRED MATTERS

**CORPORATE SERVICES COMMITTEE
(as of January 24, 2022)**

	residential property class and report back to the appropriate Standing Committee;				
1.3	That the City Clerk BE DIRECTED to bring forward to a future meeting of the Corporate Services Committee for consideration, a draft policy with respect to the participation in hybrid electronic meetings by Council Members, staff and the public.	Nov. 16, 2021 4.4/18/CSC	1st Quarter 2022	B. Westlake- Power/M. Schulthess	
1.4	That the City Council directions as mentioned below BE REFERRED to the Indigenous Community Liaison Advisor for a report back with respect to these matters: December 6, 2016 “That clause 6 [concerning a land acknowledgement at meetings of City Council] BE REFERRED back for further consultation with the Indigenous Community with respect to the proposed statement.” May 16, 2017 “That the request to invite the Munsee-Delaware Nation, the Oneida Nation of the Thames and the Chippewas of the Thames First Nation to provide their flags and have them raised in an appropriate manner at London City Hall BE REFERRED to the Civic Administration in order to allow for <i>consultation and report back with respect to this matter.</i> ”	Nov. 16, 2021 4.3/18/CSC		A. George- Antone	