

Clarington Audit Committee Agenda

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131.

Date: June 29, 2021

Time: 9:00 am

Place: Held Virtually via Microsoft Teams

Join on your computer or mobile app

[Click here to join the meeting](#)

Or call in (audio only)

[+1 289-274-8255,,980787562#](#) Canada, Oshawa

Phone Conference ID: 980 787 562#

- 1. Call to Order**
- 2. Land Acknowledgement Statement**
- 3. Declarations of Pecuniary Interest**
- 4. Adoption of Minutes of Previous Meeting(s)**
 - 4.1. Minutes of meeting held April 7, 2021
- 5. Presentations**
 - 5.1 None
- 6. Delegations**
 - 6.1. None
- 7. Communications – Receive for Information**
 - 7.1. Investment Compliance memo dated May 5, 2021
- 8. Items for Direction**
 - 8.1. Report FSD-034-21, Bank Signing Policy**

Recommendation: That Report FSD-034-21, Banking signing policy and by-law be approved.
 - 8.2. Report FSD-035-21, Investment Policy**

Recommendation: That Report FSD-035-21, Investment Policy be approved

8.3. Report FSD-036-21, Purchasing By-law

Recommendation: That Report FSD-036-21, Purchasing by-law be approved.

8.5 Report FSD-037-21, Capital Projects (2020 and prior)

Recommendation: That Report FSD-037-21, Capital Projects (2020 and prior) be approved.

9. Other Business

10. Adjournment

Land Acknowledgment Statement

The Municipality of Clarington is situated within the traditional and treaty territory of the Mississaugas and Chippewas (chip-uh-WUH) of the Anishinabeg (uh-NISH-in-NAH-bek) known today as the Williams Treaties First Nations.

Our work on these lands acknowledges their resilience and their longstanding contributions to the area now known as the Municipality of Clarington.

Moment of Reflection
(For Council Meetings Only)

Please join me in a moment of reflection.

May we cherish and protect the freedom and peace that we enjoy in Clarington. May we be mindful of the cost of freedom and peace.

May our deliberations be respectful and may our decisions be informed and wise.

May our work be focussed on and lead us toward the betterment of our communities.

Thank you

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131.

Date: April 7, 2021

Time: 2:00 PM

Place: Held Virtually via Microsoft Teams

Present: Mayor Foster, Councillor Hooper, Councillor Zwart (as an observer)

Staff Present: Andy Allison, Trevor Pinn, Catherine Carr, Heather Lynch

Absent: Councillor Neal

1. Call to Order

Councillor Hooper called the meeting to order at 2:04 PM.

2. Land Acknowledgement Statement

Councillor Hooper recited the Land Acknowledgement Statement.

3. Declarations of Pecuniary Interest

3.1 None

4. Adoption of Minutes of Previous Meeting(s)

Resolution #AAC-001-21

Moved by Mayor Foster
Seconded by Councillor Hooper

That the minutes from the Audit and Accountability Committee meeting held November 16, 2020 be approved.

Carried

5. Presentations

4.1 None

6. Delegations

6.1. None

7. Communications – Receive for Information

7.1 None

8. Items for Direction

8.1. Report IAS-001-21, Cash Handling – Petty Cash and Cash Float

Resolution #AAC-002-21

Moved by Mayor Foster
Seconded by Councillor Hooper

That Report IAS-001-21, Cash Handling – Petty Cash and Cash Float be received.

That staff be directed to implement the recommendations set out in Section 8 of this report.

Carried

Recommendation to Council #1

That staff be directed to implement the recommendations set out in Section 8 of this report.

8.2. Report IAS-002-21, Financial Update 4th Quarter 2020

Resolution #AAC-003-21

Moved by Mayor Foster
Seconded by Councillor Hooper

Recommendation: That Report IAS-002-21, Financial Update 4th Quarter 2020 be approved.

Carried

Recommendation to Council #2

That Report IAS-002-21, Financial Update 4th Quarter 2020 be approved.

8.3. That the following 3 dates be confirmed for the remainder of the 2021 Audit and Accountability meetings:

- **June 29, 2021**
- **September 10, 2021**
- **November 30, 2021**

Resolution #AAC-004-21

Moved by Mayor Foster
Seconded by Councillor Hooper

That the following 3 dates be confirmed for the remainder of the 2021 Audit and Accountability meetings:

- June 29, 2021
- September 10, 2021
- November 30, 2021

Carried

Recommendation to Council #3

That the following 3 dates be confirmed for the remainder of the 2021 Audit and Accountability meetings:

- June 29, 2021
- September 10, 2021
- November 30, 2021

9. Other Business

8.1 None

10. Adjournment

Resolution #AAC-005-21

Moved by Mayor Foster
Seconded by Councillor Hooper

That the meeting adjourn at 2:54 PM.

Carried

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To: Audit and Accountability Committee
Andrew Allison, Chief Administrative Officer
Trevor Pinn, Director of Financial Services / Treasurer

From: Catherine Carr, Internal Audit Manager

Date: May 5, 2021

File No.: n/a

Re: Municipal Investment Compliance at March 31, 2021

This Investment Compliance memo is to provide an update as at March 31, 2020 on the compliance of the Municipality's investments with the approved Investment Policy. The Investment Policy was approved by Council July 3, 2018. If not compliant, the Municipality would be required to prepare a workout plan to dispose of non-compliant investments as well as resolve any other issues that have been identified.

In the past, this quarterly compliance memo was sent to the Chief Administrative Officer and the Director of Financial Services/Treasurer. Going forward this memo will be sent to the members of the Audit and Accountability Committee (AAC). This committee provides the appropriate review of the document as outlined in the terms of reference. A copy of the memo will be on the next AAC agenda and if required, a response from the Director of Financial Services will included on the agenda as well.

The current calculations include the Reserve Fund bank account but do not included the General Fund bank account. The General Fund TD bank account is used for the ongoing operations and are consider as "required immediately" and therefore are not eligible for investing. As the Reserve Bank account is not used for ongoing operations and is available for investing, it is included in these investment compliance calculations. The omission of the General Fund bank account would result in the calculated totals being a lower percentage than actual. If the Municipality is compliant without this bank account, then it will be compliant if it was to be included.

The following information is shown for the Municipality's total investments as the restrictions identified in the policy are based on the total investments, not individual funds. Note that the Perpetual Care Trust Funds for cemetery maintenance are not included. Perpetual care and maintenance trust funds are regulated by Funeral, Burial and Cremation Act, 2002.

Investments by Institution

The Municipality's policy has the following restrictions, among others, to ensure that credit risk is mitigated through avoiding a concentration of investments with any given institution:

- ONE Fund portfolios are restricted to 15 per cent for each type (The ONE HISA account is excluded as it is a cash account.)
- Financial institution (including bonds, GICs) is restricted to 20 per cent for each institution
- Municipal bonds are restricted to 20 per cent
- Provincial bonds are restricted to 20 per cent for each province

TABLE 1 INVESTMENTS BY INSTITUTION

	Total Funds	% of Total	Minimum Range	Maximum Range
TD Bank - Savings	26,547,359	25.0%	0%	100%
ONE - HISA	\$ 4,030	0.0%	0%	100%
ONE - Equity	2,588,679	2.4%	0%	15%
ONE - Bond	4,335,093	4.1%	0%	15%
RBC	10,449,681	9.9%	0%	20%
RBC - HISA	63,549	0.1%	0%	100%
National Bank	8,805,845	8.3%	0%	20%
BNS	19,041,424	18.0%	0%	20%
BMO	18,959,520	17.9%	0%	20%
HSBC	4,360,864	4.1%	0%	20%
TD Bank	4,841,449	4.6%	0%	20%
City of Toronto	4,778,046	4.5%	0%	20%
Prov Alberta	1,203,083	1.1%	0%	20%
	<u>\$ 105,978,622</u>	<u>100.0%</u>		

There are other restrictions identified in the policy; however, we do not currently have any investments to which they apply.

The Municipality was compliant with all restrictions on investment with individual institutions. It should be noted that, per the policy, cash accounts (ONE HISA and TD Bank Savings) are not to be included when determining the amount to be invested with an institution. For this reason, the two accounts are listed separately in the table above.

Term of Investment

The Municipality's policy has adopted ranges for term length to ensure liquidity and to minimize interest rate risk. Note that investments greater than 10 years up to a maximum of 20 years have the additional requirement that they must be specifically tied to an expected cash flow.

TABLE 2 TERM OF INVESTMENT

	Total Funds	% of Total	Minimum Range	Maximum Range
90 Days	\$ 34,616,932	32.7%	20%	100%
90 Days to 1 Year	10,810,303	10.2% 42.9%	30%	100%
1 to 5 Years	25,814,182	24.4%	0%	85%
5 to 10 Years	28,692,673	27.1%	0%	50%
10 to 20 Years	6,044,532	5.7%	0%	30%
	<u>\$ 105,978,622</u>	<u>100.0%</u>		

The Municipality was compliant with the stated term length restrictions. The TD Reserve Bank account bank account is 77 per cent of the under 90 days investment total. Bank accounts including the ONE HISA are immediately accessible and thereby highly liquid.

The investments in the 10 to 20 year terms are bank bonds and provincial bonds which are considered to have good liquidity. There are uses for these long-term investments, but the specifics have not been clearly identified. The link between long term investments and expected cash flows should be developed as per the policy.

Type of Investment

To ensure that the Municipality has a diversified investment portfolio the following restrictions are in place:

- Cash is unrestricted and includes the High Interest Savings Account as well as other bank accounts held at chartered banks
- Federal debt is unrestricted
- Provincial debt is allowed to a maximum of 80 per cent in aggregate
- Municipal debt is allowed to a maximum of 35 per cent in aggregate
- Financial institution investments are allowed to a maximum of 60 per cent in aggregate and includes bonds, GICs and other eligible investments
- Corporate debt is allowed, subject to rating restrictions, to maximum of 10 per cent in aggregate
- ONE Investment pools (not including HISA) are allowed to a maximum of 25 per cent in aggregate.

TABLE 3 TYPE OF INVESTMENT

	Total Funds	% of Total	Minimum Range	Maximum Range
HISA	\$ 26,555,250	25.1%	0%	100%
Federal Debt	-	0.0%	0%	100%
Provincial Debt	1,203,083	1.1%	0%	80%
Municipal Debt	4,778,046	4.5%	0%	35%
Financial Institutions	66,518,470	62.8%	0%	60%
Corporate Debt (non-financial)	-	0.0%	0%	10%
ONE Investment Pools	6,923,773	6.5%	0%	25%
	<u>\$ 105,978,622</u>	<u>100.0%</u>		

As of March 31, 2021, the Municipality was not compliant with the restrictions for the investment types as defined in the Municipal Investment Policy. There is an exceedance in the percentage in financial institutions. The maximum limit is 60 per cent but as of March 31, 2021 there is 62.8 per cent. This is an overage of \$2,931,297. It should be noted that investments with financial institutions includes GICs, bank bonds, TD Reserve bank and RBC HISA. As noted earlier, the TD General Fund is an operating account and is not included in the investment policy. This non-compliance has occurred because of the significant withdrawal from the ONE HISA account in February 2021 due to a significant reduction in the account interest rate. While the non-compliance is noteworthy, it is not a threat to the integrity and stability of the Municipal investments.

If you have any questions, please let me know.

Catherine Carr

Name: Catherine Carr
 Job Title: Internal Audit Manager
 Financial Services / CAO

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Report To:	Audit and Accountability Committee	
Date of Meeting:	June 29, 2021	Report Number: FSD-034-21
Submitted By:	Trevor Pinn, Director of Financial Services/Treasurer	
Reviewed By:	Andrew C. Allison, CAO	By-law Number:
File Number:	[If applicable, enter File Number]	Resolution#:
Report Subject:	Bank Signing Authority Policy	

Recommendations:

1. That Report FSD-034-21 be received;
2. That the draft Bank Signing Authority Policy, as attachment #1, be approved;
3. That the draft by-law, as attachment #2, to repeal Bowmanville By-law 1786 and Town of Newcastle By-law 88-97 be approved; and
4. That the Municipality's banking institutions, and any delegations, be advised of Council's decision.

Report Overview

With the recent changes in the organizational structure of the Municipality, including changes in the organization of the Financial Services Department, Staff have reviewed the appropriate signing officers for cheques and payments from the Municipality's bank accounts.

The attached policy will determine who will have signing authority on disbursing funds from the Municipality's bank (general, reserve, trust) accounts.

1. Background

- 1.1 The *Municipal Act, 2001* s.286(1) states that “a municipality shall appoint a treasurer who is responsible for handling all of the financial affairs of the municipality on behalf of and in the manner directed by the council of the municipality...”
- 1.2 Subparagraph (c) goes further to state that the treasurer is responsible for “paying all debts of the municipality and all other expenditures authorized by the municipality.”
- 1.3 A best practice is for Council to designate individuals authorized to sign cheques and approve payments on behalf of the Municipality. Clear delegation ensures that there is proper review of payments and provides our financial institutions designated individuals who may conduct banking on behalf of the Municipality.
- 1.4 With the recent organizational structure change, Staff were reviewing the signing authorities to determine the proper positions authorized to sign on behalf of the Municipality.
- 1.5 It was determined that two currently enacted by-laws spoke to signing authority. Further, there appears to be Council approval after these by-laws that provides for additional/contradictory signing approval.
- 1.6 The first by-law was [By-law 1786](#) from the Town of Bowmanville was enacted in 1960. This by-law provided the authority to the Treasurer or Deputy Treasurer and Mayor or Reeve to sign for banking transactions of the Town of Bowmanville.
- 1.7 Secondly, it was determined that Town of Newcastle [By-law 88-97](#) was still in effect. This by-law, when bank accounts were established with the Bank of Nova Scotia, authorized the Treasurer, Deputy Treasurer and Mayor to act as signing officers.
- 1.8 In Report [FND-022-11](#), the CAO, Treasurer and Deputy Treasurer were approved as the authorized signatories on the account with the Manulife Bank of Canada and that a combination of two of the signatories may be authorized to sign agreements and other documents related to that account. This resolution mirrored the process that was in place for the other banking agreements starting either in 2007 or 2010 upon the change of mayor. It should also be noted that effective 2006, the *Municipal Act, 2001* repealed

s.288 which required that the Mayor and Treasurer sign cheques (there is now no specific requirement for who signs cheques).

- 1.9 The adoption of the attached policy follows current practice, is a best practice, and would eliminate inconsistencies in our records. The Municipal Clerk recommends that the two previous by-laws be repealed if Council were to adopt this policy to ensure there is no confusion on where the signing authority is provided.

2. Proposed Policy

- 2.1 The proposed policy provides for four signing officers; this provides back-up if the primary signors are away and unable to approve the payments. Either the CAO or the Director of Legislative Services must be one signature. The other signature is either the Director of Financial Services/Treasurer or the Manager of Accounting Services/Deputy Treasurer.
- 2.2 Staff are proposing these positions to ensure that at least one financial person is signing the cheques but that there is also oversight from a non-financial person. It is strongly suggested that wording such as “Any two of...” not be included because this could result in a situation where two non-financial parties sign cheques, or that two financial parties circumvent reasonable oversight.
- 2.3 By not explicitly naming individuals, the authority remains when individuals change positions. In addition, this eliminates the need to come back to Council each time there is a change in signing officers, which expedites the ability to update signing officers with the bank.
- 2.4 The policy allows for both mechanical and “wet” signatures on cheques. The Municipality has been electronically affixing signatures to cheques for several years, and it is an effective means of producing cheques. The Municipality continues to transition vendors to Electronic Funds Transfer (EFT) as payment; however, not all vendors are set up to receive payments electronically.
- 2.5 Transfers between accounts happen several times throughout the week and are part of rebalancing the Municipality’s bank accounts. Transfers between accounts do not require the approval of the CAO or Director of Legislative Services but must be approved by the Director of Financial Services/Treasurer or Manager of Accounting Services/ Deputy Treasurer for oversight.
- 2.6 Any funds leaving the Municipality’s bank accounts for an external source (including an investment account held by the Municipality) will follow the cheque signing requirements, regardless of whether the process is a cheque or electronic means.

3. Concurrence

Not Applicable.

4. Conclusion

It is respectfully recommended that the attached Bank Signing Authority Policy be approved and that the previously approved by-laws in the Town of Bowmanville and Town of Newcastle be repealed.

Staff Contact: Trevor Pinn, CPA, CA, Director of Financial Services/Treasurer, 905-623-3379 ext. 2602, tpinn@clarington.net

Attachments:

Attachment 1 – Bank signing authority policy

Attachment 2 – Draft By-law to Repeal Town of Bowmanville By-law 1786 and Town of Newcastle By-law 88-97

POLICY TYPE: Financial
SUBSECTION: Internal Control
POLICY TITLE: Bank Signing Authority Policy
POLICY #:
POLICY APPROVED BY: Council
EFFECTIVE DATE: July 6, 2021
REVISED:
APPLICABLE TO:

1. Purpose

- 1.1 The purpose of this policy is to establish the rules and practices for the approval of disbursements from bank accounts held by the Municipality.

2. Scope

- 2.1 This policy applies to all Municipal departments, boards, committees, and other organizations within the reporting requirements of the Municipality of Clarington.

3. Policy

- 3.1 All transactions affecting bank accounts of the Municipality require two signatures or electronic approvals from the appropriately designated persons.
- 3.2 Either the Chief Administrative Officer or Director of Legislative Services together with the Director of Financial Services/Treasurer or Manager of Accounting Services/Deputy Treasurer are designated to sign cheques and approve electronic fund transfers from bank accounts of the Corporation or a trust under the control of the Corporation.
- 3.3 The Director of Financial Services/Treasurer and the Manager of Accounting/Deputy Treasurer are authorized to designate staff to be given permission to conduct the day-to-day electronic bank transactions including, but not limited to, payment disbursement services, wire payments, remote deposit capture, and account transfers.

- 3.4 For further clarity, a transfer between accounts held by the Corporation are not considered to be cheques or electronic funds transfers and would only require the approval of two individuals, one being the Director of Financial Services/Treasurer or the Manager of Accounting Services/Deputy Treasurer.
- 3.5 The signatures of designated bank signing persons may be written, printed or otherwise mechanically or electronically reproduced on cheques.
- 3.6 Any mechanical equipment owned or used by, for or on behalf of the Corporation for the reproduction of the signatures as contemplated in paragraph 5.4 hereof shall be in and under the care, custody and control of the Director of Financial Services/Treasurer or any other person, duly authorized in writing by the Director of Financial Services/Treasurer.
- 3.7 Each board, committee, agency within the reporting requirements of the Municipality shall establish a procedure for the approval of disbursements which shall include a minimum dual signature requirement for all disbursements.

4. Policy Review

- 4.1 This policy shall be reviewed no less than once per term of Council or if deemed necessary.

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131.

The Corporation of the Municipality of Clarington
By-law 2021-XXX

Being a by-law to repeal previous by-laws establishing signing authority in the Town of Bowmanville and the Town of Newcastle.

Whereas Report FSD-034-21 was approved for the Municipality of Clarington establishing signing authority for banking purposes;

Whereas there remains two by-laws passed by former municipalities providing for signing authority that is contrary to the aforementioned adopted policy; and

Whereas Council wishes to remove the previously adopted signing authorities.

Now therefore the Council of the Municipality of Clarington enacts as follows:

1. That the Town of Bowmanville By-law 1786 be repealed.
2. That the Town of Newcastle By-law 88-97 be repealed.
3. That this by-law shall come into force, and effect, upon the date of passing.

Passed in Open Council this 6 day of July, 2021.

Adrian Foster, Mayor

June Gallagher, Municipal Clerk

Report Overview

Council must have an adopted Investment Policy under the *Municipal Act, 2001*. The existing policy was drafted in 2018 and allowed the Municipality to invest in any prescribed investment instrument; however, it also added several internally imposed restrictions in an effort to increase diversity and reduce risk.

Since 2018, the economic climate has changed in such a way that the current restriction on financial institutions to 60 per cent is problematic and does not provide the flexibility to obtain reasonable rates of return. Previously a significant amount of cash was held in a high-interest savings account and was not included in the calculation of “financial institutions”; the recent drop in bank account rates makes this investment no longer feasible and the Municipality is looking for alternatives. Therefore, staff propose to increase the financial institution limit to 80 per cent and the individual institution restriction from 20 per cent to 25 per cent.

1. Background

- 1.1 The Municipality of Clarington is required, under the *Municipal Act, 2001* to have an investment policy adopted and approved by Council. This policy was last reviewed in 2018 and before that in November 2013.
- 1.2 The existing policy, and a discussion on recent changes to the legislation surrounding investing for municipalities, were the subject of Report [FND-011-18](#) on June 18, 2018.
- 1.3 The Municipality utilizes the legal list of investments as allowed under [O.Reg 438/97](#), which prescribes what investments a municipality may make.
- 1.4 Staff have provided several reports on investment options to General Government Committee and Council, most recently Report [FND-038-20](#), which was received for information with direction for an information session to be delivered (this was at the GGC meeting of January 25, 2021) to educate members of Council on investments.
- 1.5 This report has been prepared to update the Municipality’s Investment Policy to consider economic changes that have occurred since 2018, and provide increased flexibility within the legal list framework that we continue to operate in. While staff are still of the opinion that adopting the Prudent Investor Standard is the best course of action for the Municipality, any change in investment regime would take time (currently, there is no direction to move towards this regime) and during that period, we continue to need to invest.

Current Economic Conditions and Investments

- 1.6 Since the early part of 2020, there has been a reduction in fixed-income return rates on eligible investments for the Municipality. The reduced interest rates became worse as a result of the COVID-19 pandemic.
- 1.7 As central banks have reduced interest rates to support the economy, the rate of returns on fixed-income instruments has remained extremely low. As most of our investments are in fixed incomes, this has had a significant impact on the Municipality.
- 1.8 Interest rates have also affected bank accounts. The High-Interest Savings Account offered by ONE Investment went from 0.915 per cent from March 2020 (2.415 per cent in January 2020 high) to 0.165 per cent on January 1, 2021. Similarly, our interest rate with TD Bank has gone from 0.78 per cent from March 31, 2020 (the last time Prime was changed) to 0.61 per cent effective June 15, 2021 (there was an incremental decrease March 1, 2021). The reduced interest rates increase the importance of active investing and diversifying from fixed-income investments. The decrease in rate is effectively \$1,700 per year per \$1,000,000 balance in lost revenue to the Municipality.
- 1.9 At the same time, equity instruments had a short-term reduction in March 2020 but have rebounded and recovered their value. As noted in Report [FSD-014-21](#) the adjusted annual return in the equity portfolio is approximately 3.9 per cent since 2005.
- 1.10 As noted in the memo to Committee on May 5, 2021 from the Internal Audit Manager, the Municipality of Clarington is outside of its approved investment policy. This is the result of investments in financial institutions being 62.8 per cent rather than the approved 60 per cent.
- 1.11 There are several remedies for this situation. The first step is looking at the investment policy to determine if there is an appetite to increase the limit that the Municipality may invest in financial institutions. Increasing this limit could potentially result in a higher concentration of investments in one sector which increases concentration risk; however, the financial services industry in Canada is highly regulated and considered a low-risk industry. Given the limitations of the legal list, this is an area that most municipalities have to invest in.
- 1.12 The second option, as investments mature, is to remove them from our current investment advisor (RBC Dominion Securities) and invest in ONE Investment Pools in their equity or bond portfolios. In past conversations, there appears to be a reluctance of members of Council to invest in equities. Equities are a form of long-term investments that allow for diversification in a portfolio.
- 1.13 The third option is to instruct our investment advisor to look at Provincial and Municipal Debt, we have recently purchased some Province of Alberta bonds to add to our portfolio. This again increases our diversification; however provincial and federal debt tends to be low interest (it is also low risk).

- 1.14 My recommendation is all three options should be utilized to most effectively manage our investments. By increasing the allowable limits for financial institutions, the Municipality is no longer in breach of its investment policy and immediate liquidation is not required. In moving some funds, as they become available, to the ONE Investment equity pools the Municipality will be able to diversify from fixed income and reduce risk through the use of a pooled investment vehicle. Finally, looking at government debt provides a liquid, low risk investment tool that provides better interest than bank accounts but still preserves our investment capital.

2. Changes to Investment Policy

- 2.1 The proposed draft policy, attachment #1, has been placed in a new format to be consistent with recent policies adopted by the Municipality. These formatting changes do not impact the investment parameters for the Municipality.
- 2.2 The proposed draft increases the portfolio limit for investments in financial institutions from 60 per cent to 80 per cent. This provides more flexibility to invest in low-risk bank bonds, GICs and other notes which, during the COVID-19 pandemic, are the predominant legal available investment.
- 2.3 Similarly, the draft proposes a change in the per financial institution limit from 20 per cent to 25 per cent. This again provides a little more flexibility, currently we approximate 18 per cent for two of our institutions.
- 2.4 The policy proposes an exception to the 10 per cent restriction to invest in Municipal Debt that is issued by the Region of Durham. It is possible that the Municipality may wish to invest in its own debt issued through the Region of Debt. All other municipalities would be restricted to ten per cent. Currently, the Municipality has investments in debt from the City of Toronto.
- 2.5 Finally, the required review frequency of at least once per term of Council has been updated to annually. Given the pace of economic changes, and the importance of investment income as a non-tax revenue source, annual reviews are recommended. If the Municipality were to eventually move to the Prudent Investor regime, annual investment policy reviews are mandated.

3. Concurrence

Not Applicable.

4. Conclusion

It is respectfully recommended that the attached Municipal Investment Policy be approved.

Staff Contact: Trevor Pinn, CPA, CA, Director of Financial Services/Treasurer, 905-623-3379 ext.2602 or tpinn@clarington.net.

Attachments:

Attachment 1 – Draft Municipal Investment Policy G09

Interested Parties:

There are no interested parties to be notified of Council's decision.

POLICY TYPE:	Financial
SUBSECTION:	
POLICY TITLE:	Investments
POLICY #:	G09
POLICY APPROVED BY:	Council
EFFECTIVE DATE:	July 3, 2018 (last revision)
REVISED:	July 6, 2021
APPLICABLE TO:	All Employees

1. Purpose

- 1.1 The Municipality of Clarington strives for the optimum utilization of its cash resources within statutory limitations and the basic need to protect and preserve capital, while maintaining solvency and liquidity to meet ongoing financial requirements.

2. Scope

- 2.1 This policy includes all funds that are managed by the Municipality of Clarington except for the Municipality's investment in Elexicon Group.

3. Definitions

- 3.1 **Asset Backed Securities** – Fixed income securities (other than a government security) issued by a Special Purpose Entity, substantially all of the assets of which consist of Qualifying Assets.
- 3.2 **Basis Point** – A unit that is equal to 1/100th of 1%, and is used to denote the change in a financial instrument. The basis point is commonly used for calculating changes in interest rates, equity indexes and the yield of a fixed-income security.
- 3.3 **CHUMS Financing Corporation (CHUMS)** – A subsidiary of the Municipal Finance Officers Association of Ontario (MFOA) which in conjunction with the Local Authority Services Limited (LAS) operates the ONE Investment Program.

- 3.4 **Credit Risk** – The risk to an investor that an issuer will default in the payment of interest and/or principal of a security.
- 3.5 **Discount** – The amount by which the par value of a security exceeds the price paid for the security.
- 3.6 **Diversification** – A process of investing assets among a range of security types by class, sector, maturity and quality rating.
- 3.7 **Duration** – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.
- 3.8 **Holding Period Classification** – Classification of investments based on the intended period the Municipality would hold the asset, as follows:
- i. Cash Equivalent: short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.
 - ii. Short-term: securities with a holding period of one year or less.
 - iii. Long-term: securities with a holding period of greater than one year.
- 3.9 **Liquidity** – A measure of an assets' convertibility to cash
- 3.10 **Local Authorities Service Limited (LAS)** – A subsidiary of the Association of Municipalities of Ontario (AMO) which in conjunction with CHUMS are members of the ONE Investment Inc.
- 3.11 **ONE Investment Inc.** – An incorporated not-for-profit organization which includes investment portfolios available for Ontario municipalities. Formerly was the ONE Investment Program which is a professionally managed group of pooled investments that meet eligibility criteria as defined by regulations under the Municipal Act. Also includes the High Interest Savings Account (HISA).

- 3.12 **Market Risk** – The risk that the value of a security will rise or decline as a result of changes in market conditions.
- 3.13 **Market Value** – The current market price of a security.
- 3.14 **Maturity** – The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder.
- 3.15 **Par** – The face value or principal value of a bond.
- 3.16 **Premium** – The amount by which the price paid for a security exceeds the security's par value.
- 3.17 **Principal** – The face or par value of a debt instrument or the amount of capital investment in a given security.
- 3.18 **Rate of Return** – The yield obtainable on a security based on its purchase price or its current market price. Yield reflects coupon, term, liquidity and credit quality.
- 3.19 **Schedule I Banks** – Schedule I banks are domestic banks and are authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation.
- 3.20 **Schedule II Banks** – Schedule II banks are foreign bank subsidiaries authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canada Deposit Insurance Corporation. Foreign bank subsidiaries are controlled by eligible foreign institutions.
- 3.21 **Sinking Fund** – Money accumulated on a regular basis, through regular contributions and interest earnings, in a separate custodial account that is used to redeem debt securities by a specified date.
- 3.22 **Weighted Average Maturity (WAM)** – The average maturity of all the securities that comprise a portfolio.

3.23 **Yield to Maturity (YTM)** – The annual return on a bond held to maturity when interest payments and price appreciation (if priced below par) or depreciation (if priced above par) are considered.

4. Objectives

4.1 The primary objectives of the investment program, in order of priority, shall be:

- a. Adherence to statutory requirements;
- b. Preservation of principal;
- c. Ensuring availability of cash to meet disbursements and other obligations;
- d. Maintaining liquidity;
- e. Diversification of the investment portfolio, commensurate with constraints above;
- f. Earning a competitive rate of return, commensurate with constraints above;
- g. Regular review of the effectiveness of the policy in meeting the above objectives; and
- h. Periodic audit of the investment program to ensure adherence to the policy.

4.2 Adherence to Statutory Requirements

4.2.1 All investment activities must be made in accordance with Section 418 (1) of the Municipal Act, 2001, as amended which states that a municipality may invest money it does not need immediately in securities, in accordance with prescribed rules and regulations.

4.2.2 The prescribed securities that municipalities may invest in as well as the rules for making investments, entering into related financial agreements and reporting on activities is set out under Ontario Regulation 438/97, as

amended. Any Provincial Statutes or Regulations will supersede and take precedence over this policy.

- 4.2.3 Investments, unless limited further by Council, will be those deemed eligible under O.Reg 438/97 as amended.

4.3 Preservation of Capital

- 4.3.1 Safety of principal is an important objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

- 4.3.2 Staff shall mitigate credit risk through the following:

- i. Limiting investments to safer types of securities;
- ii. Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

- 4.3.3 Staff shall mitigate interest risk through the following:

- i. Structuring the investment portfolio so that securities mature to meet ongoing cash flow requirements, thereby reducing the need to sell securities on the open market prior to maturity;
- ii. Investing operating funds primarily in shorter-term securities or approved investment pools; and
- iii. Diversifying longer-term holdings to match term exposures to requirements of underlying reserve funds and to mitigate effects of interest rate volatility.

4.4 Maintaining Liquidity

- 4.4.1 The investment portfolio shall remain sufficiently liquid to meet all operating or cash flow requirements and limit temporary borrowing requirements. This

shall be done where possible by structuring the portfolio such that securities mature concurrent with anticipated cash demands.

- 4.4.2 The portfolio shall consist largely of securities with active secondary or resale markets to ensure liquidity. A portion of the portfolio may be placed in local government investment pools which offer liquidity for short-term funds.

4.5 Competitive Rate of Return

- 4.5.1 Notwithstanding the other objectives of this policy, the Municipality shall maximize the rate of return earned on its investment portfolio by implementing a dynamic strategy as part of the investment program.
- 4.5.2 Diversification, as well as ensuring safety of principal by limiting exposure to credit, sector or term risk, provides opportunities to enhance the investment return on the Municipality's portfolio.

5. Standards of Care

5.1 Prudence

- 5.1.1 Investments shall be made in accordance with the policy, under the prevailing circumstances. Consideration of the probable safety of the principal as well as income to be derived should be of primary concern.
- 5.1.2 Staff acting in accordance with procedure and this investment policy and having exercised due diligence, shall be relieved of personal responsibility for any individual security's credit risks or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidation or sale of securities are carried out in accordance with the terms of this policy.

5.2 Ethics and Conflict of Interest

- 5.2.1 Employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and

management of the investment program, or that could impair ability to make impartial decisions.

- 5.2.2 Employees involved in investment procedures shall disclose all material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio.
- 5.2.3 Employees and officers shall not undertake personal investment transactions with the same individual with whom business is conducted on behalf of the Municipality.
- 5.2.4 If a staff member of the Finance Department or any elected or appointed member of the Municipality is party to, or has a direct or indirect beneficial interest in an investment transaction of the Municipality, he or she must provide full disclosure of that interest to the Director of Finance/Treasurer (or designate). The Director of Finance (or designate) will determine whether the Municipality's investment is to continue to be retained or sold forthwith.

5.3 Safekeeping and Custody

- 5.3.1 All securities shall be held for safekeeping by a financial institution approved by the Municipality. Individual accounts shall be maintained for each portfolio. All securities shall be held in the name of the Municipality.
- 5.3.2 The depository shall issue a safekeeping receipt to the Municipality listing the specific instrument, rate, maturity and other pertinent information. On a periodic basis (preferably monthly), the depository will also provide reports, which lists all securities held by the Municipality, the book value of holdings and the market value as of month-end.

6. Delegation of Authority

- 6.1 The Director of Finance/Treasurer has overall responsibility of the investment portfolio. The Director of Finance/Treasurer shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of subordinate officials and shall exercise control over that staff. The

Director of Finance/Treasurer or designate have the authority to make investment decisions for the Municipality

- 6.2 The Director of Finance/Treasurer or designate shall be authorized to enter into arrangements with banks, investment dealers and brokers, and other financial institutions for the purchase, sale, redemption, issuance, transfer and safekeeping of securities in a manner that conforms to the *Municipal Act, 2001* and the Municipality's policies.

7. Approval Requirements

- 7.1 All investment transactions must be approved by two of the following:

- i. CAO
- ii. Director of Financial Services/Treasurer
- iii. Manager of Accounting Service/Deputy Treasurer

- 7.2 Signing authority for transactions from the Municipality's bank account to an investment account would follow the signing authorities outlined in the Banking Signing Authorities Policy.

8. Council Reporting

- 8.1 The Director of Finance/Treasurer shall provide an annual investment report to Council which shall contain at a minimum:

- i. A statement about the performance of the portfolio of investments during the period covered by the Report;
- ii. The balance of the current outstanding investment portfolio;
- iii. A statement as to whether or not all investments were in accordance with the investment policies and goals of the Municipality;

- iv. If applicable, a description of the estimated proportion of investments that are invested in the Municipality’s own long-term and short-term securities and a description of the change, if any, in the estimated proportion since the previous report;
- v. If applicable, a record of the date of each transaction in or disposal of its own securities, including a statement of the purchase and sale price of each security; and
- vi. Contains such other information that the Council may require or that, in the opinion of the Treasurer or designate, should be included.

8.2 If an investment made by the Municipality is, in the Treasurer or designate’s opinion, not consistent with the investment policies and goals adopted by the Municipality, the Treasurer shall report the inconsistency to Council within 30 days after becoming aware of it.

9. Eligible Investments and Statutory Requirements

9.1 Investment Funds

9.1.1 The Municipality maintains the following funds:

Fund Name	Purpose	Investment Horizon
General Fund	To provide a source of funding for operating and non-DC supported capital expenditures.	The investment horizon for this fund is typically within 24 months. However longer-term investments may be made to recognize increased returns.
Non-Development Charges Reserve Fund	To provide a source of funding for reserve funds which are not funded by	The investment horizon for these funds is typically 5 years. There will be

Fund Name	Purpose	Investment Horizon
	Development Charges. Typically requirements relate to the Municipality's capital plan.	deposits annually from budgeted contributions as well as withdrawals to support the annual budget requirements.
Development Charges Reserve Fund	To provide a source of funding for growth-related activities funded through development charges.	<p>The DC study has a horizon of 5 years, within this fund there will be withdrawals and deposits annually.</p> <p>The key investment driver is to ensure liquidity in the portfolio that can be used to finance approved growth-related expenditures.</p>
Strategic Capital Fund	Long-term asset management strategic financing tool; Investment in debt financing opportunities through internal debenture issuance; investment in servicing of non-residential areas as a front-ending tool	<p>This fund has an investment horizon of over 5 years.</p> <p>The key investment driver is to earn a return which can be used to fund other activities while preserving capital.</p> <p>This fund does not see significant levels of transactions annually and is more focused on specific projects which qualify</p>

Fund Name	Purpose	Investment Horizon
		under the establishing by-law.
Trust Funds	<p>May include funds held for the perpetual care of cemeteries under the control of the Municipality.</p> <p>Trusts may also include bequests made to the Municipality. These bequests may be restricted in use, which varies based on the individual.</p>	<p>This fund has an investment horizon of 5 years.</p> <p>As these funds are held in trust for other parties, the key investment driver is maintain the capital while earning a reasonable return.</p>

9.1.2 The above categories are funds which manage similar accounts. For example the Development Charge Reserve Fund invests for all individual DC Reserve Funds, individual accounts are not required to be established. An individual investment security may be made utilizing funds from different sources (i.e. a GIC in the DC Reserve Fund may relate to general government, parks and road DC reserve funds).

9.2 Eligible Securities

9.2.1 Eligible securities are prescribed under O.Reg 438/97, as amended.

9.2.2 Investments shall be diversified by:

- i. Limiting investments to avoid over-concentration in securities from a specific issuer or sector (excluding Government of Canada securities);
- ii. Limiting investment in securities to those that have higher credit ratings;

- iii. Investing in securities with varying maturity dates;
- iv. Investing primarily in liquid, marketable securities which have an active secondary market, to ensure appropriate liquidity.

9.3 Investment Limitations

9.3.1 To promote diversification, the following percentage weightings for each type of investment within the portfolio shall be established and maintained:

Investment Type	Portfolio Limit	Individual Limit
Federal Debt	100%	
Provincial Debt	80%	20% per province
Municipal Debt	35%	10% per municipality (except the Region of Durham)
Municipal Corporation Equity	50%	50% per municipal corporation
Financial Institutions	80%	25% per financial institution
Corporate Debt (non-financial)	10%	5% per corporation
ONE Investment Pools	25%	15% per portfolio

9.3.2 To promote diversification and ensure liquidity, the following percentage weightings for the investment portfolio shall be established and maintained:

Term Limitation	Range of Investment
Less than 90 days	20% to 100%
Less than 1 year	30% to 100%
From 1 year up to, but not including, 5 years	0% to 85%
From 5 years up to, but not including 10 years	0% to 50%
From 10 years up to 20 years	0% to 30%

9.3.3 Unless matched to a specific cash flow, the Municipality will not directly invest in securities maturing more than 10 years from the date of purchase. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding ten (10) years, provided they match as practicably as possible to the expected use of funds.

9.3.4 Portfolio size limitations listed above will be applicable based on the allowable percentage of the portfolio on the day the investment is made. Limitations relate to the total investment portfolio and are to be applied to the Municipalities' separate funds that it manages.

9.3.5 When determining the portfolio limitation:

- i. The total portfolio (denominator) shall include all cash, cash equivalents, short-term investments and long-term investments (excluding investment in Elexicon Group Inc.)
- ii. Funds held within general or high interest savings accounts shall not be used to determine the maximum category or sector limitations (numerator). For further clarification, funds held in a bank account do not count towards the 25 per cent limit for the institution.

9.3.6 The Municipality may invest in US denominated funds, as allowed by regulation, provided that the purpose of the investment relates to a pending or anticipated purchase which is to be denominated in US funds and it is prudent to mitigate from foreign exchange risk.

10. Policy Review

10.1 This policy shall be reviewed annually and updated as necessary.

If this information is required in an alternate accessible format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131.

Report To:	Audit and Accountability Committee		
Date of Meeting:	June 29, 2021	Report Number:	FSD-036-21
Submitted By:	Trevor Pinn, Director of Financial Services/Treasurer		
Reviewed By:	Andrew C. Allison, CAO	Resolution#:	
File Number:	[If applicable, enter File Number]	By-law Number:	
Report Subject:	Purchasing By-law Review 2021		

Recommendations:

1. That Report FSD-036-21 be received;
2. That the updated By-law attached to this Report (Attachment 1) be passed; and
3. That all interested parties listed in Report FSD-036-21 and any delegations be advised of Council's decision.

Report Overview

To request authorization from Council to update the Purchasing By-law No. 2015-022.

1. Background

- 1.1 At its meeting held on, [March 9, 2015](#) General passed resolution #GPA-191-15 adopting the revised Purchasing By-law designed to meet departmental requirements and operational needs while ensuring effective controls. As a requirement of the Purchasing By-law, the Purchasing Manager is required to undertake a comprehensive review of the Purchasing By-law every five years. The proposed updated By-law (Attachment 1) repeals the existing [By-law 2015-022](#).
- 1.2 The Purchasing By-law outlines the authority for the procurement of goods and services, including the following:
 - The authority and duties of the Purchasing Manager
 - The process for bid solicitation and awarding of contracts
 - The conditions under which goods and services can be sourced without a competitive process
 - Purchasing limits and delegation of authority
 - Compliance
 - Pricing/cost

2. Review Process

- 2.1 The Director of Financial Services/Treasurer and Staff from the Purchasing Services Division established a working team to review and discuss revisions to the Purchasing By-law to address operational improvements. Several meetings were held to review and discuss the various sections of the Purchasing By-law. While some of the changes are substantive, many of the changes are administrative.
- 2.2 The changes being proposed will allow Purchasing Staff to focus on higher dollar value purchases, shorten the lead time for the procurement of goods and promote efficiencies.

A summary of proposed revisions to the new Purchasing By-law are shown below:

By-law Provisions

1. Definition

- Include a definition for Single Source purchase
- Include a definition for Sole Source purchase

2. Bid Types and Limits

a) Informal Request for Quotation

- Increase the authority to make acquisitions from between \$5,000 - \$25,000 to between \$5,000 - \$50,000

b) Formal Request for Quotation

- Increase the authority to make acquisitions from between \$25,000 - \$100,000 to between \$50,000 - \$100,000

c) Bonds and Deposits

- Reword to delete any reference to cash and envelope and to include accepting e-Bond.

d) Bid Procedure

- Delete any reference to hard copy submission and replace with “electronic process”

e) Bid Opening

- Delete any reference to hard copy submission and public opening and replaced with “Unless otherwise stated, all Bids shall be opened by the Purchasing Manager and results posted publicly on the Municipality’s website”.

f) Approval Limits and Reporting

- Change CAO’s approval limit from \$250,000 to \$500,000
- Change the limit for award of contract for goods and services requiring Committee’s approval from \$250,000 to \$500,000

- Department Head may hire a consultant directly if the cost is below \$25,000, down from \$30,000, in line with the treatment for other purchases
- CAO will approve hiring of consultants between \$25,000 to \$50,000
- Change the limit for award of contract for consulting and professional services requiring Committee's approval from \$30,000 to \$50,000.

3. General Purchasing Policies

a) Fair Wage Policy

- Deleted

b) Lobbying

- Included a new section on lobbying as follows:

All prospective bidders are prohibited from lobbying any member of Council, staff and consultants, appointed member and any staff of any Board during the period commencing at the time of issuing a bid solicitation and ending at the time of the award of the contract. The Municipality may reject any bid by a supplier that engages in such lobbying, without further consideration, and may terminate that supplier's right to continue in the bid solicitation process.

4. Schedule A

- Delete Engineering Services and Engineering Consulting Services from Schedule from Schedule A.

5. Other Changes

- Other changes made are administrative in nature.

6. Future changes

- The Purchasing Services Division and the Energy and Climate Change Response Co-Ordinator are working together on a green procurement policy. A separate report will be sent to Council once the policy has been finalised.

3. Concurrence

Departments Heads have been consulted during the review process and the report has been reviewed by the Director of Municipal Services/Municipal Solicitor who concurs with the recommendation.

4. Conclusion

- 4.1 Overall, the general consensus is that the By-law facilitates efficient procurement processes and effectively meets the operating requirements of the Municipality's operating Departments while ensuring appropriate controls and accountability measures.
- 4.2 It is respectfully recommended that the By-law attached to this report as attachment #1 be passed.

Staff Contact: David Ferguson, Purchasing Manager, 905-623-3379 Ext 2209 or dferguson@clarington.net

Attachment:

Attachment 1 – Proposed updated Purchasing By-law.

Interested Parties:

There are no interested parties to be notified of Council's decision.

Purchasing By-Law 2021-xxx

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If this by-law is required in an alternate accessible format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131.

THE CORPORATION OF THE MUNICIPALITY OF CLARINGTON

BY-LAW NUMBER 2021-xxx

being a by-law to provide policies and procedures
for the procurement of goods and services.

WHEREAS pursuant to section 270 of the *Municipal Act, 2001*, the Corporation is required to establish and maintain policies with respect to its procurement of goods and services; and

WHEREAS the Corporation wishes to procure goods and services in the most efficient and cost effective manner possible; and

WHEREAS the Corporation is committed to ensuring that its procurement policies and procedures are fair, open and transparent.

NOW THEREFORE the Corporation of the Municipality of Clarington hereby enacts as follows:

Part 1 – Interpretation

Definitions

1. In this by-law,

“Acquisition” means the purchase of a Good and/or Service for use on a permanent or temporary basis;

“Bid” means a Proposal, Quotation or Tender;

“Bidder” is a Person who responds to a Bid Solicitation;

“Bid Solicitation” means a request by the Corporation for Bids for the provision of Goods and/or Services through an RFP, RFQ or RFT;

“CAO” means the Chief Administrative Officer of the Corporation or a designate;

“Clerk” means the Municipal Clerk of the Corporation or a designate;

“Committee” means the General Government Committee of Council;

“Consulting and Professional Services” means services provided by architects, engineers, designers, environmental consultants, surveyors, management and financial consultants, bankers, auditors, brokers, soil consultants, real estate appraisers, Ontario land surveyors, web designers or any other consultant or professional, but does not include any consulting and professional services referred to in Schedule “A”;

“Corporation” means The Corporation of the Municipality of Clarington;

“Cost” means the actual cost of an Acquisition excluding taxes;

“Contract” means an agreement between two or more Persons one of whom is the Corporation;

“Council” means the Council of the Corporation;

“Department” means a Department of the Corporation identified on the annual organization charts and reflected in the prevailing budget;

“Department Head” means the Director of one of the Departments or a designate;

“Disqualified Bidder” means a Bidder that has provided unsatisfactory Goods and/or Services to the Corporation and consequently had a Contract terminated or been notified by the Purchasing Manager that they are not eligible to submit a Bid;

“Expression of Interest” or “EOI” means general market research used prior to a Bid Solicitation to determine if there is an interest in a proposed Acquisition;

“Goods and/or Services” means any goods and/or services required by the Corporation other than goods and/or services listed in Schedule “A”;

“Local Board” means a local board (as that term is defined in the *Municipal Act, 2001*) of the Corporation;

“Person” includes an individual, association, firm, partnership, corporation, union, trust, organization, trustee or agent, and their heirs, executors, administrators, successors and assigns;

“Proposal” means an offer from a Bidder made in response to an RFP;

“Purchase Order” means a Contract or a written acceptance of a Proposal, issued on forms prescribed by the Purchasing Manager;

“Purchasing Manager” means the Purchasing Manager of the Corporation or a designate;

“Quotation” means an offer from a Bidder made in response to an RFQ;

“Request for Proposal” or “RFP” is a form of Bid Solicitation in which the Corporation invites one or more potential suppliers to submit proposals with respect to the supply of particular Goods and/or Services, which the Purchasing Manager in consultation with the Department Head, determines may be dependent upon non-price factors and may require negotiations between a Bidder and the Corporation before a Contract is made between them;

“Request for Quotation” or “RFQ” is a form of Bid Solicitation in which the Corporation requests either informal quotations or formal quotations;

“Request for Tender” or “RFT” is a form of Bid Solicitation in which the Corporation publishes the specifications, terms, conditions and details concerning a proposed Contract, and invites or advertises prospective Bidders to submit Tenders;

“Responsive and Responsible Bidder” is a Person responding to a Bid Solicitation who complies with its provisions and who can reasonably be expected to provide satisfactory performance of a proposed Contract based on reputation, references, performance on previous contracts, and proof of sufficient financial and other resources;

“Single Source Purchase” means a non-competitive purchase where there are other suppliers of the product or service available, however, for reasons such as emergency, proprietary, matching existing equipment, health and safety concerns, time constraints, etc., the purchase is sourced to a specific vendor.

“Sole Source Purchase” means a non-competitive purchase where there is only one supplier of the product or services and as a result a competitive quotation process is not possible.

“Tender” means an offer received from a Bidder in response to an RFT;

“Treasurer” means the Director of Financial Services/Treasurer of the Corporation or a designate; and

“Weighted Evaluation Criteria” means criteria that are taken into account when evaluating Proposals including qualitative, technical and pricing considerations.

Word Usage

2. This by-law shall be read with all changes in gender or number as the context may require.
3. A grammatical variation of a defined word or expression has a corresponding meaning.

Severability

4. Should any section or part of this by-law be held by a Court of competent jurisdiction to be invalid, the remainder of this by-law shall not be affected.

References

5. In this by-law, reference to any Act, By-law or Policy is reference to that Act, By-law or Policy as it is amended or re-enacted from time to time.
6. Schedule "A" (Exempt Good and/or Services) is attached to and forms part of this by-law.
7. All references to dollar figures are Canadian dollars.
8. Unless otherwise specified, reference in this by-law to a clause, section or Schedule is to a clause, section or Schedule in this by-law.

Application

9. This by-law shall not apply to the acquisition of any interests in real property. Such matters shall be governed by By-Law 2011-011 and subsequent by-law.
10. This by-law shall not apply to the Acquisition of any Goods and/or Services listed in Schedule "A".

Part 2 – Authority

Purchasing Manager Authority

11. The Purchasing Manager shall have the authority to act as agent of the Corporation for the purpose of acquiring all Goods and/or Services required by the Corporation.
12. The Purchasing Manager shall determine the method of Acquisition having regard to the nature, importance or urgency associated with the purchase requisition, subject to the general trade practice, market conditions and the provisions of this by-law.

Approval Authority

13. No employee of the Corporation shall have the authority to make or approve an Acquisition or award a Contract for any Good and/or Service unless funds for such Acquisition have been allocated in a budget approved by Council. If a recommended Bid is in excess of an approved budget limit but within the approval limits of this by-law, the Treasurer, after consultation with the Department Head, must approve the source of additional funding.

14. Contracts shall not be split so as to circumvent the established method of purchase or the approval limits imposed by this by-law unless, in the opinion of the Purchasing Manager, after consultation with the Department Head, if it is deemed advantageous to acquire components of a major project through separate Contracts.

Signing Authority

15. Authority to make or approve an Acquisition or award a Contract for any Good and/or Service includes the power to sign all documents necessary to effect the Acquisition. Where a Department Head or the CAO has the authority to sign a Contract, the Purchasing Manager may sign on their behalf.

Part 3 – Bid Types and Limits

Purchases up to \$5,000

16. Goods and/or Services not exceeding a Cost of \$5,000, (excluding computers, software, computer accessories and cell phones) do not require the submission of a Purchase Order (unless one is required by the vendor) and may be purchased by individual Departments as required at the lowest available Cost. However, if a term order or another form of Contract is established, then the Department must purchase from the Contract vendor. Computers, software, computer accessories and cell phones must be ordered in coordination with the IT Division using a Purchase Order.

Informal Request for Quotation (\$5,001 - \$50,000)

17. The Purchasing Manager shall have the authority to make Acquisitions for which the Cost is between \$5,001 up to a maximum of \$50,000 at the lowest available Cost, provided a minimum of three Quotations have been received where they are reasonably required and possible to obtain.

Formal Request for Quotation (\$50,001 - \$100,000)

18. The Purchasing Manager shall have the authority to make Acquisitions for which the Cost is between \$50,001 up to a maximum of \$100,000 at the lowest available Cost, provided where they are reasonably required and possible to obtain, at least three formal Quotations have been received and the lowest Responsive and Responsible Bid received is acceptable.

Acquisitions over \$100,000

19. Subject to sections 20, 21 and 23, Acquisitions that are anticipated to have a Cost in excess of \$100,000 shall be made through an RFT.

Routine Purchases

20. Where, in the opinion of the Purchasing Manager in consultation with the Department Head, a proposed Acquisition is of a routine and repetitive nature, the Purchasing Manager may obtain written Bids from suppliers and a Contract may be awarded.

Negotiations / Single / Sole Source Purchases

21. In place of a Bid Solicitation, Goods and/or Services may be purchased through negotiation, Single or Sole source purchases where, in the opinion of the Purchasing Manager in consultation with the Department Head,
 - (a) the sources of supply are restricted to the extent that there is no effective price competition;
 - (b) the purchase involves Goods and/or Services,
 - (i) that are in short supply due to market conditions;
 - (ii) for which there is no reasonable substitute or competitive product; or
 - (iii) for which compatibility with an existing product/services is the overriding consideration;
 - (c) the purchase involves specialized preassembled goods;
 - (d) the Bid from the lowest Responsive and Responsible Bidder substantially exceeds the estimated Cost;
 - (e) no Bid from a Responsive and Responsible Bidder is received and it is impractical to issue another Bid Solicitation;
 - (f) the extension or reinstatement of an existing Contract would prove most cost-effective or beneficial to the Corporation;
 - (g) the terms and conditions of a Proposal provide for negotiation with the selected Bidder; or
 - (h) Council has specifically authorized an Acquisition through negotiation.
22. In the case of a Contract for a construction project, negotiations shall be conducted in accordance with the Canadian Construction Documents Committee (C.C.D.C.) Document 23 published by the Canadian Construction Association where expressly required by the provisions of an RFT.

Requests for Proposal

23. Irrespective of the anticipated Cost, where the Purchasing Manager in consultation with the Department Head determines that a proposed Acquisition involves unique or complicated circumstances, the Acquisition may be made through the use of an RFP.

24. (1) In this section, "Two Envelope Method" means a procurement process in which,
 - (a) a Bid is submitted in two separate envelopes, the first of which contains technical and qualitative information and the second of which contains price information; and
 - (b) Weighted Evaluation Criteria are applied and the second envelope is opened only if the first envelope shows the Bidder to be qualified.
- (2) The Purchasing Manager, in consultation with the Department Head, may use an RFP process that utilizes a Two Envelope Method.
25. RFPs may be called by public advertisement or invitation to specific Bidders.
26. All RFPs shall be submitted in the prescribed manner and delivered to the Purchasing Manager.
27. It is the Corporation's general policy to select the Proposal that best meets the requirements of the RFP based on Weighted Evaluation Criteria.

Product Demonstrations and Information

28. No requests for prices or demonstrations for approved projects or programs above \$5,000 shall be made without prior consultation with the Purchasing Manager.
29. Requests on behalf of the Corporation may be made by Department Heads for informal non-binding product and technical information, catalogues and price lists. Each Department Head shall provide the Purchasing Manager with such data, specification details and information relating to a proposed Acquisition, including the Corporation's approved budget prices. The Purchasing Manager shall obtain all binding or estimated prices provided by potential Bidders.

Bid Pre-Qualification

30. (1) In this section, "Pre-qualification" means a procedure whereby a prospective Bidder satisfies the Corporation that it is capable of supplying a particular Good and/or Service as a condition of being allowed to submit a Bid.
- (2) If, in the opinion of the Purchasing Manager, Pre-qualification is required, the Contract, if awarded at all, must be awarded to the lowest Responsive and Responsible Bidder who has been pre-qualified.

Bonds and Deposits

31. All Bid deposits required as part of any Bid Solicitation shall be provided by certified cheque, bank draft or money order made payable to "The Corporation of the Municipality of Clarington". Bid bonds, including electronic bond, shall be issued by a licensed surety company authorized to carry on business in Ontario, and shall be

in an amount and in a form satisfactory to the Corporation. Bid deposits shall be submitted in accordance with the following schedule, unless otherwise specified in the Bid Solicitation:

<u>Total Amount of Bid</u>	<u>Minimum Bid Deposit Required</u>
Up to \$20,000.00	\$1,000.00
Up to \$50,000.00	\$2,000.00
Up to \$100,000.00	\$5,000.00
Up to \$250,000.00	\$10,000.00
Up to \$500,000.00	\$25,000.00
Up to \$1,000,000.00	\$50,000.00
Up to \$2,000,000.00	\$100,000.00
Over \$2,000,000.0	\$200,000.00

32. When the deposit of a performance bond and/or labour and material payment bond is a requirement of a Bid Solicitation, such bonds shall be,
 - (a) in the amounts specified in the Bid documents;
 - (b) issued by a licensed surety company authorized to carry on business in Ontario;
 - (c) in a form approved by the Corporation; and
 - (d) delivered by the Bidder to the Purchasing Manager prior to execution of the Contract.

33. Following the award of a Contract, all deposits that are in the form of certified cheques or money orders, except for the deposits supplied by the successful and next to successful Bidders in the case of a Contract award, shall be returned to the unsuccessful Bidders. Retained Bid deposits shall be held until the Contract is executed by the Corporation, unless otherwise determined by the Purchasing Manager.

34. Following the cancellation of a Bid Solicitation, all deposits shall be returned to the Bidders.

35. If a successful Bidder fails to enter into a Contract, the Bid deposit shall be forfeited to the Corporation. If a Bid bond is deposited, it may be called by the Treasurer and the amount of money thereby obtained shall be forfeited to the Corporation.

Initial Bid Procedures

36. If required, Bid Solicitations shall be advertised in the method deemed most appropriate by the Purchasing Manager which may include, but shall not be limited to periodicals, newspapers and/or websites.

37. All closing times shall be established by the Purchasing Manager.
38. The Purchasing Manager shall make the bid document available to all prospective Bidders through an electronic process.
39. Where a fee is required for Bid documents, prospective bidders shall be required to pay for the bid document in the manner stipulated in the call document”

List of Registered Bidders

40. Contact information of all prospective Bidders who have obtained or who have requested the material set out in Section 38 shall be recorded in order to facilitate distribution of addenda when necessary to change or cancel a Bid under call.

Changes to Bids under Call

41. Interpretations of, or qualifications or changes to, a Bid Solicitation shall be made in the form of a written addendum. Addenda shall be necessary to revise, delete, substitute or add to a Bid under call. The Purchasing Manager shall approve the issuance of any addendum or the cancellation of a Bid Solicitation.
42. A copy of each addendum or a notice of posting of each addendum shall be forwarded to registered Bidders by electronic means and posted on the Corporation’s website.
43. Where an addendum is released after the receipt of one or more Bids which, in the opinion of the Purchasing Manager, may affect a Bid, all Bids received prior to the Bid closing may be withdrawn.
44. The Purchasing Manager in consultation with the Department Head may cancel a Bid Solicitation either before or after Bids are opened. The procedure for the notification to Bidders set out in section 42 shall apply to a notice of cancellation. If a Bid is cancelled prior to opening, all Bids received after cancellation shall be rejected.

Formal Bid Submissions

45. The Purchasing Manager shall,
 - (a) record time and date of all Bids received, in an appropriate manner;
 - (b) refuse to accept any Bid from a Disqualified Bidder;
 - (c) record all accepted Bids;
 - (d) maintain safe control of all accepted bids until needed;

- (e) refuse to accept any Bid that is not received in accordance with the terms and conditions of the bid document, prior to the closing time established for that Bid. Reasons for nonacceptance shall be communicated to the Bidder.

Withdrawal of Bids

- 46. A Bid can only be withdrawn prior to the close of Bids, as stipulated in the bid documents. Requests to withdraw received following the close of Bids shall not be accepted.

Bid Opening

- 47. Unless otherwise stated, all Bids shall be opened by the Purchasing Manager and results posted publicly on the Municipality's website
- 48. All Bids shall be checked to determine that each Bidder has submitted one Bid only. Should more than one Bid be submitted, and no withdrawal notice has been received, the Bid with the latest time stamp shown shall be deemed to have superseded the earlier Bid and the Bidder shall be bound by the contents of the more recent Bid. If surety bonds are required to be submitted with the Bid at the time of closing, and the Bidder has included the required surety bonds with the first bid, the surety bonds may be deemed applicable to the Bid submitted with the second bid received.
- 49. Any Bid that does not appear on initial examination by the Purchasing Manager to satisfy the requirements of this by-law shall be deemed an "Improper Bid", but shall nonetheless be subject to further examination to determine whether it should be rejected pursuant to sections 51, 52 and 53.

Verification of Bids

- 50. Every Bid submitted shall be checked by the Purchasing Manager who shall ensure that,
 - (a) it complies with the Bid Solicitation requirements;
 - (b) unit prices have been correctly extended;
 - (c) extensions have been correctly totalled; and
 - (d) applicable taxes have been calculated correctly.
- 51. Any extension errors, addition errors or incorrect tax calculations may be corrected provided that the Purchasing Manager is satisfied that it is a bona fide error, and not a price revision.

Rejection of Bids

52. After Bid opening, the Purchasing Manager shall reject any Bid from a Bidder who did not attend a mandatory pre-Bid meeting.
53. After Bid opening, the Purchasing Manager may accept or waive a minor and inconsequential irregularity, or where reasonable to do so, the Purchasing Manager may, as a condition of Bid acceptance, request a Bidder to correct a minor and inconsequential irregularity with no change in Bid price. The determination of what is, or is not, a minor and inconsequential irregularity, the determination of whether to accept, waive, or require correction of an irregularity, and the final determination of the validity of a Bid, shall be at the Purchasing Manager's sole discretion. Without limiting the generality of the foregoing, the Purchasing Manager may reject a Bid if it,
 - (a) is not submitted on the correct Bid form;
 - (b) is not submitted in the manner specified in the bid document or is illegible or unclear;
 - (c) does not provide all entries for all unit prices referred to in the Bid Solicitation (unless otherwise specified in the Bid Solicitation) or is otherwise incomplete in any material respect;
 - (d) includes any restrictive or conditional statement that alters the form or intent of the Bid;
 - (e) is not signed by the Bidder with an authorized signature;
 - (f) does not contain or acknowledge addenda;
 - (g) is not accompanied by bonding documents or bid deposits or contains an improper or insufficient Bid deposit, where required;
 - (h) contains an error that cannot be corrected in accordance with section 51;
 - (i) is unbalanced, meaning it contains lump sum or unit bid items that do not reflect reasonable actual costs plus a reasonable proportionate share of the Bidder's anticipated profit, overhead costs, and other indirect costs;
 - (j) is from a Bidder or a subcontractor of a Bidder that has an outstanding legal action against the Corporation, or the Corporation has an outstanding legal action against the Bidder or a subcontractor of the Bidder including arbitration or any association or union issues;
 - (k) is from a Bidder that owes money to the Corporation including outstanding property taxes; or

- (l) is from a Bidder that is not in compliance with any of the Corporation's policies or regulatory by-laws including, but not limited to the Property Standards By-law.

54. Following the opening and recording of Bids, the record of Bids (including rejected Bids) shall be closed in the manner approved by the Purchasing Manager.

Bid Cancellation

55. The Purchasing Manager, in consultation with the Municipal Solicitor and the applicable Department Head, shall have the authority to cancel a Bid Solicitation either before or after the call has closed if,

- (a) a substantial change in the scope of work or specifications is required;
- (b) the Goods and/or Services requested no longer meet the Department's requirements;
- (c) the integrity of the procurement process has been compromised; or
- (d) the lowest Responsive and Responsible Bid exceeds the approved funding limit.

Absolute Right

56. The Corporation shall have absolute discretion in the awarding of Contracts and retains the right to reject any or all Bids.

Local Preference

57. (1) In this section,

- (a) "Local Bid" means a Bid submitted by a Bidder who operates a business within the Municipality of Clarington; and
- (b) "Regional Bid" means a Bid submitted by a Bidder who operates a business within the Regional Municipality of Durham.

(2) If, in the opinion of the Purchasing Manager, a competitive market exists and two or more Bids are received which are identical in Cost, provided quality, service and delivery terms are similar, then priority of acceptance shall be first to a Local Bid, if any, and second to a Regional Bid, if any.

(3) Ontario's *Discriminatory Business Practices Act*, R.S.O. 1990, c.D.12 has been established to prevent discrimination in Ontario on the grounds of race, creed, colour, nationality, ancestry, place of origin, sex, or geographical location of persons employed in or engaging in business. Accordingly, other than as noted in subsection (2), preference to a Local Bid or a Regional Bid shall not be given.

Approval Limits and Reporting (Excluding Consulting and Professional Services)

58. The Purchasing Manager shall submit to the Department Head an analysis listing all Quotations and Proposals received with a recommendation for the Department Head's approval if the Cost of the Goods and/or Services does not exceed \$100,000.
59. After consulting with the Department Head, the Purchasing Manager shall prepare a report to the CAO for approval if the Cost of the Goods and/or Services does not exceed \$500,000.
60. The Purchasing Manager shall prepare a recommendation report to Committee if the Cost of the Goods and/or Services exceeds \$500,000.

Council Recess Procedures

61. (1) Notwithstanding section 60, where a matter which would have otherwise been submitted to Committee requires approval during any of Council's recesses, including elections, the CAO shall be authorized to award the Contract if the Treasurer is of the opinion that the price is reasonably reflective of the approved budget allocation and/or is part of the normal operating responsibility of the Department.

(2) The Purchasing Manager shall report all Contracts awarded under subsection (1) to Committee as soon as possible after the conclusion of the recess.

(3) Council shall not vary any action or decision of the Contract awards made in accordance with this section.

Consulting and Professional Services (Excluding Schedule "A" Exemptions)

62. Where it is estimated that the Cost of Consulting and Professional Services will be less than or equal to \$25,000, the Department may obtain the services directly without issuing a Bid Solicitation.
63. Where it is estimated that the Cost of Consulting and Professional Services will be more than \$25,000, the Purchasing Manager shall issue a Bid Solicitation in compliance with this By-Law and prepare a report to the CAO for approval.
64. Where it is estimated that the Cost of Consulting and Professional Services will be more than \$50,000, the Purchasing Manager shall issue a bid solicitation, in consultation with the Department Head and, shall submit a report to Committee providing a recommendation for award.
65. An external consultant who has entered into a Contract for consulting services for a particular phase of a project, may be deemed to have a conflict of interest and be disqualified from submitting a Bid on a later phase of consulting services for the same project. Any issue as to whether there is a conflict of interest shall be

determined by the Purchasing Manager in consultation with the Department Head. This section shall not apply where a consultant has been requested to provide a budget estimate or general review and estimate for a potential Acquisition.

66. Any consultant authorized to issue a Bid Solicitation on behalf of the Corporation shall comply with this by-law.

Co-Operative Purchasing

67. (1) In this section, "Co-operative Purchasing" means the participation of the Corporation with one or more public agencies, school boards, vendors of record (Provincial), hospitals or other public agencies in a Bid Solicitation.
- (2) Co-operative Purchasing shall be utilized when advantageous and practical. In the event of any conflict, the purchasing by-law and procurement practices of the municipality, school board, hospital or other public agency issuing the co-operative Bid shall take precedence over the provisions of this by-law.

Emergency Purchases

68. (1) In this section, "Emergency" means a situation or the threat of an impending situation which, in the opinion of the CAO or a Department Head, requires an immediate Acquisition to prevent serious delays, damage to a basic service, risk to health and safety, financial loss or to maintain or restore a basic service provided by the Corporation.
- (2) Emergency Acquisitions shall be made by the Purchasing Manager. In the absence of the Purchasing Manager, Emergency Acquisitions may be made by a Department Head.
- (3) All Emergency Acquisitions shall be confirmed through a Purchase Order and shall be reported to Committee through a report prepared jointly by the Department Head and the Purchasing Manager if the Cost exceeds \$500,000 or an approved budget limit.

Part 4 – General Purchasing Policies

Default By Successful Bidder

69. If a successful Bidder fails to execute the Contract or fails to meet any of the requirements of the Contract within the prescribed time, the Contract may be awarded to the next lowest Bidder or cancelled.
70. If a successful Bidder defaults on an awarded Contract, the Purchasing Manager is authorized to take remedial action including termination of the Contract and all necessary steps to ensure completion of the project or continued service/supply. The Purchasing Manager, after consultation with the Department Head, may

declare that any Bidder who has defaulted on a Contract is ineligible to submit a Bid on any future Contract even if the awarded Contract is not terminated.

71. Should the Purchasing Manager determine that termination of the awarded Contract is the appropriate action in accordance with section 70, whoever awarded the Contract (Council, CAO or Department Head) shall be advised of the termination in writing.

Conflict of Interest

72. The participation of members of Council and employees of the Corporation in the procurement process shall be governed by, in the case of members of Council, the Council Code of Conduct and the *Municipal Conflict of Interest Act*, R.S.O. 1990, c.M.50 as amended and, in the case of employees, by the Code of Ethics Policy E-1.
73. No employee or Council member shall benefit directly or indirectly from affiliation with the Municipality or show any favouritism to any Person in the procurement of any Goods and/or Services.
74. No Person shall offer incentives to any employee of the Corporation or member of Council.
75. (1) In this section, "Personal Purchase" means a purchase of Goods and/or Services requested by an elected official, an appointed official or by any other employee of the Corporation that is not required for the purposes of the Corporation or a Local Board.

(2) No Personal Purchases shall be made by the Corporation for any Member of Council, member of a Local Board, or employees of the Corporation.,

Access and Disclosure

76. No Corporation employee or any member of Council shall have access to or disclose any details regarding Bids except as permitted by this by-law and the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.M.56 as amended.
77. In the case of a Bid submitted in response to an RFP, only the total Bid amount for the successful responsive and responsible Bid shall be provided and only upon written request of any Person after completion of negotiations and award of the Contract.

Records Retention and Destruction

78. Bid documents and related material shall be retained in accordance with the Municipality's Records Retention Schedule, as amended.

Complaints and Inquiries

79. All Bidder or potential Bidder complaints or inquiries, whether addressed to an elected official, the CAO, a Department Head or any member of staff shall be referred to Purchasing Services.

Lobbying

80. All prospective bidders are prohibited from lobbying any member of Council, Municipal staff and consultants, appointed member and any staff of any Board during the period commencing at the time of issuing a bid solicitation and ending at the time of the award of the contract. The Municipality may reject any bid by a Supplier that engages in such lobbying, without further consideration, and may terminate that Supplier's right to continue in the bid solicitation process

Insurance

81. The Treasurer and the Municipal Solicitor shall review, as necessary, Contracts that include provisions relating to liability and insurance.

Purchasing Cards

82. (1) In this section, "Purchasing Card" means a credit card issued by the Purchasing Manager in accordance with the Purchasing Card Policy.

(2) Purchasing Cards may be used for all purchases as defined in the Purchasing Card Policy where the Goods and/or Services do not fall under the requirements of this by-law. Purchasing Cards are issued on an as needed basis upon approval of the Purchasing Manager and at the request of the Department Head. The Purchasing Manager shall be responsible for the program outlined in the Corporation's Purchasing Card Policy.

Disposal of Goods

83. The disposal of surplus or obsolete goods of the Corporation shall be the responsibility of the Purchasing Manager. At least once each calendar year, Department Heads shall provide the Purchasing Manager with a list of such goods. The Purchasing Manager may periodically circulate a list of surplus or obsolete goods to all Departments and Local Boards.
84. The Purchasing Manager, in consultation with the appropriate Department Head, shall determine the appropriate method of disposal including sale, RFT, RFP, auction, or gratuitous transfer.
85. The priority of the disposal shall be in this order: another department within the municipality, trade in on a replacement purchase, local board, other municipality, school board, charity or not for profit organization, public at large.

Over Expenditures

86. Subsequent to a Contract award, the approval of any over expenditure shall be in accordance with the Corporation's Capital Project Over Expenditure Policy (G5) or subsequently adopted policy for financial controls.

Sustainability

87. In order to contribute to waste reduction and to increase the development and awareness of environmentally sound purchasing, Acquisitions shall ensure that, wherever reasonably possible, specifications shall provide for expanded use of durable products, reusable products and products (including those used in services) that contain the maximum level of post-consumer waste and/or recyclable content, without significantly affecting the intended use of the product or service. It is recognized that analysis of Cost is required in order to ensure that the products are made available at competitive prices.

Accessibility for Ontarians with Disabilities Act, 2005 (AODA)

88. When procuring Goods and/or Services, the Corporation shall incorporate accessibility design criteria and features, except where it is not practicable to do so. Where applicable, procurement documents shall specify the desired accessibility criteria to be met and provide guidelines for the evaluation of the proposals respecting those criteria.

Part 5 – General Provisions

By-Law Review

89. The Purchasing Manager in consultation with appropriate staff shall conduct a detailed review of this by-law no less frequently than every five years.

Repeal

90. By-Law #2015-022 is hereby repealed.

Effective Date

91. This By-law shall take effect on the date that it is passed by Council.

By-law passed on the day of June 2021.

THE CORPORATION OF THE MUNICIPALITY OF CLARINGTON

PER: _____

Adrian Foster, Mayor

PER: _____

June Gallagher, Municipal Clerk

Schedule "A"

EXEMPT GOOD AND SERVICES

1. Petty Cash Items
2. Training and Education
 - a. Conferences
 - b. Courses
 - c. Conventions
 - d. Magazines
 - e. Memberships
 - f. Periodicals
 - g. Seminars
 - h. Staff Development
 - i. Staff Workshops
 - j. Staff Reports
 - k. Subscriptions
 - l. Trainers (includes workshop & seminars)
3. Refundable Employee Expenses
 - a. Advances
 - b. Meal Allowances
 - c. Miscellaneous – Non – Travel
 - d. Travel Expenses
 - e. Entertainment Expenses
4. Employer's General Expenses
 - a. Payroll Deduction Remittances
 - b. Medicals
 - c. Licenses (Vehicles, Software, Communications, etc.)
 - d. Debenture Payments
 - e. Insurance
 - f. Grants and Agencies
 - g. Damage Claims
 - h. Petty Cash Replenishment
 - i. Land & Building Lease Payments made by Municipality
 - j. Tax Remittances
 - k. Sinking Fund Payments
 - l. Newspaper Advertising and Public Notices
 - m. Day Camp or other similar Admission Fees
 - n. Software or equipment maintenance agreements
5. Certain Professional and other Services
 - a. Committee Fees
 - b. Counselling Services

- c. Laboratory Services
 - d. Nursing Services
 - e. Physician Fees
 - f. Temporary Help
 - g. Banking Services
 - h. Legal Services
 - i. Newspaper, radio, TV advertising
 - j. Policing
 - k. Red Cross Supplies
 - l. Web Design Usage Fee & penalties
 - m. Payroll fees
 - n. Employee Assistance programs
6. Utilities (including hedging agreements in accordance with the Hedging Policy as may be amended from time to time)
- a. Postage
 - b. Water
 - c. Hydro
 - d. Gas (including hedging agreements)
 - e. Telephones – excluding cellular
 - f. Telecommunications infrastructure
7. Canadian National and Canadian Pacific Railways
8. Provincial and/or Federal Government Agencies or Crown Corporations
9. Regional Municipality of Durham or other municipalities located within the Regional Municipality of Durham Goods and/or Services
10. Election related technology and equipment, and any consulting and support services directly related to such technology and equipment.

If this information is required in an alternate accessible format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131.

Report To:	Audit and Accountability Committee	
Date of Meeting:	June 29, 2021	Report Number: FSD-037-21
Submitted By:	Trevor Pinn, Director of Financial Services	
Reviewed By:	Andrew C. Allison, CAO	By-law Number:
File Number:	[If applicable, enter File Number]	Resolution#:
Report Subject:	Capital Budget Update as at December 31, 2020	

Recommendation:

1. That Report FSD-037-21 be received for information.

Report Overview

To provide an update of capital projects as of the year ended December 31, 2020.

1. Background

- 1.1 The Municipality of Clarington is responsible for the repair, rehabilitation, and replacement of over \$778 million dollars worth of tangible capital assets.
- 1.2 The Municipality's capital investment from the approved 2020 budget was approximately \$28.7 million which includes \$8.3 million directly from the tax levy, \$7.6 million from development charge reserve funds, \$7.4 million from reserve funds (Federal Gas Tax and Ontario Community Infrastructure Funding). A proposed debenture of \$4.2 million relates to the start of work on the proposed South Bowmanville Recreation Centre was included in the 2020 budget but was not undertaken as Council directed a review of funding opportunities for the project. The 2020 capital budget was predominantly infrastructure based with over \$15.2 million being invested in bridges, roads, sidewalks, stormwater management and traffic signals.

2. Summary of Capital Projects

Summary of 2020 Activity

- 2.1 The global pandemic did affect capital projects throughout 2020. Construction slowed down and sourcing for goods and services took longer than in past years.
- 2.2 The 2020 budget added 86 new capital projects which includes 20 that are annually funded and reoccurring projects.
- 2.3 The following table is a high-level summary of all capital projects from the beginning of 2020 to the status of projects and funding at year end. The attachment to this report provides more detail per asset category.

Asset Category	Total Funding Available for 2020	Total Expenses and Commitments	Unexpended Funds
Buildings	\$ 10,351,302	\$ 3,282,521	\$ 7,068,780
Environmental	5,971,177	737,247	5,233,931

Asset Category	Total Funding Available for 2020	Total Expenses and Commitments	Unexpended Funds
Fleet	2,417,246	1,722,108	695,137
Administrative	3,436,136	3,033,828	402,308
Parking	591,117	528,009	63,108
Parks	11,183,197	6,806,429	4,376,768
Roads	50,849,734	31,020,228	19,829,506
Roadside	8,579,412	6,299,956	2,279,456
	\$ 93,379,321	\$ 53,430,326	\$ 39,948,995

Cancelled or Completed Projects in 2020

- 2.4 There were 150 capital projects active at the beginning of 2020 spanning all asset categories and departments. Within the year, 26 of those projects were either completed and added to our Tangible Capital Asset database or were cancelled.
- 2.5 This table highlights the projects that were cancelled during the year with applicable reasoning for the decision.

Project	Budget Year	Comments
Parks - Waterfront Trail Extension	2017	Project cancelled - no longer pursuing after surveys were completed
Bridges - Longworth Ave culvert at Brookhill Tributary	2017	Development Has Been Delayed - to be budgeted for in the future
Roads - Lambs Rd (275m N of Baseline to Hwy#2)	2020	Delay from Region - to be budgeted in the future
Sidewalk - Prestonvale Rd (Bloor St to 230m N)	2020	Project cancelled and to be budgeted in the future
Sidewalk - RR22 Multi-use path (Prestonvale Rd to 65m E)	2020	Project cancelled and to be budgeted in the future

2.6 following table represents the completed projects accomplished during 2020.

Project	Budget Year
Central Parking Meter - Replace	2019
Fleet New - MLE Electric Car	2020
St. Light installation - Baseline Rd (Green Rd to West Side Dr)	2015
Parks - Outdoor Recreation Needs Study	2019
Parks - Leash Free dog Park - Courtice	2017
Parks - Port Darlington - East Beach Park - Phase 1	2013
Cemetery Improvements -Hampton Columbarium	2019
Roads - Rudell Road Reconstruction (Grady Dr to North Limit)	2020
Roads - North Scugog Court Reconstruction	2016
Roads - Green Rd - Grade Separation (Bridge)	2013
Roads - Mill St Orono	2015
Sidewalk - Tooley Rd (Nash Rd to 265m N of Nash Rd)	2020
Traffic Signal - Green Rd at Stevens Rd	2017
Intersection Improvements - Green Rd & Boswell Dr	2017
Buildings - Kendal Community Centre - floor replacement	2019
Buildings - Orono Town Hall - Clock Tower restoration	2019
Buildings - Station #3 - Boiler replacement	2019

Project	Budget Year
DHRC - Gymnasium safety padding	2020
CCC - Fitness equipment and oven for Older Adults	2019
RRC - Replace walk behind floor scrubber	2020
SCA - Replace heat pump and Pad B steel door	2020

Annually Funded Capital Projects

- 2.7 The annual capital budget consistently includes 23 projects that receive funding for a broader scope of various projects.
- 2.8 The following table lists all the annually funded projects with both the 2020 budget allotment and the unexpended capital funds (UECF) at the year end.

Project	2020 Budget	UECF at Year End	Notes
Computer - Hardware	\$ 151,400	\$ 309,926	
Computer - Software	571,100	2,172	
Emergency Fire Services (EFS) - Bunker Gear	122,425	43,021	
Self-contained breathing apparatus (SCBA) Equipment - upgrade	37,500	9,190	
EFS - Equipment	18,000	18,000	
St. Light installation - Various	100,000	324,648	(a)
Park Furniture/Equipment	255,000	97,168	
Various Park Upgrades	155,000	50,812	

Project	2020 Budget	UECF at Year End	Notes
Parking Lot Rehabilitation - Various Locations	215,000	26,304	
Pavement rehabilitation program	3,295,000	1,874,055	
Structures Rehab - Bridge Improvement	2,100,000	2,380,562	
Roadside Protection Program	150,000	39,840	
Rural Road resurfacing (Engineering)	150,000	0	
Rural Road resurfacing (High Float)	2,530,000	219,580	
Sidewalk Replacement	183,000	97,445	
Clarrington Stormwater Pond Cleanout	305,000	364,227	(b)
Replacement of Fleet - Roads	610,000	512,147	(c)
New Fleet - Roads	95,000	143,283	(d)
Fleet Replacement - Parks	180,000	20,701	
Buildings - Various Arenas	50,000	0	
Buildings- Roof Replacements - Various	150,000	157,461	(e)
ADMIN - Annual Building Studies	45,000	24,507	
Land Acquisition	703,696	2,718,582	(f)

2.9 Additional notes of the annually funded projects are as follows:

- a) In 2021, FSD-017-21 transferred \$223,595 to fund shortfall in the LED Streetlight project
- b) No contracts awarded since 2017

- c) Outstanding for single axle truck and tandem truck
- d) Outstanding (2) plows from 2019 budget
- e) No contracts awarded towards 2020 budget
- f) To be used according to the Land Strategy

Additional Funding Required

- 2.10 During 2020, there were 8 capital projects that required additional funding. The additional funding could be a scope of work change or in most cases the actual costs are higher than anticipated when developing the initial budget.
- 2.11 The following table outlines the applicable projects and the funding source for the additional funding requirements.

Project		Additional Funding	Funding Source	Comments
Bowmanville Valley Trail	\$	242,964	Municipal Capital Works RF and DC Roads & Related	FND-044-20 - due to changes in design
Traffic Signals - Green Rd & Stevens Rd		5,358	DC Roads & Related	Required for completion of traffic signals
Fleet		16,404	Operations Equipment RF	Required for the replacement of (2) single axle trucks
RRC - Building Maintenance		1,021	Community Services Capital RF	Required for the replacement of Pad B dressing room door.
Orono Town Hall		239	Facility & Parks Maintenance RF	Required for the clock tower restoration
Hampton Cemetery		3,759	Municipal Capital Works RF	Required for the columbarium

Project	Additional Funding	Funding Source	Comments
Orono Town Hall	38,700	Municipal Capital Works RF	CSD-012-20 - Elevator work
North Scugog Court	40,817	Municipal Capital Works RF and DC Roads & Related	Required for completion of final surface asphalt
Total Additional Funds	\$ 349,262		

3. Concurrence

Not Applicable.

4. Conclusion

It is respectfully recommended that the 2020 Year End Capital Update be received for information.

Staff Contact: Erika Watson, Asset Management and Development Financing Manager, 905-623-3379 ext. 2607, ewatson@clarington.net

Attachments:

Attachment 1 – Capital Projects 2020 and prior

Interested Parties:

There are no interested parties to be notified of Council's decision.

Municipality of Clarington - 2020 Year End Capital Update
 Asset Category: Buildings and Related
 As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
Municipal Administration Centre	2017	\$ 1,347,018	\$ -	\$ 1,347,018	\$ 909,331	\$ 23,281	\$ 932,612	\$ 106,893	\$ 1,039,505	\$ 307,513
Newcastle Community Hall - 2019	2018	200,000	80,000	280,000	-	108,420	108,420	169,537	277,957	2,043
Library Refurbishment	2018	1,430,000	-	1,430,000	78,804	613,906	692,709	-	692,709	737,291
Bowmanville Museum (Silver St)	2018	121,500	-	121,500	8,561	5,934	14,495	99,614	114,109	7,391
Haydon Community Hall - addition for storage	2019	12,500	-	12,500	-	2,407	2,407	-	2,407	10,093
Orono Town Hall - Accessibility Upgrades	2019	345,007	152,000	497,007	25,202	344,054	369,256	79,976	449,232	47,775
Kendal Community Centre - floor replacement	2019	17,910	-	17,910	-	17,910	17,910	-	17,910	-
Orono Town Hall - Clock Tower restoration	2019	20,239	-	20,239	-	20,239	20,239	-	20,239	-
Fire Station #3 - Boiler replacement	2019	55,648	-	55,648	6,798	48,850	55,648	-	55,648	-
Courtice Community Centre - Equipment	2019	13,013	55,000	68,013	-	2,348	2,348	-	2,348	65,665
156 Church St Reno (Shaw House)	2020	475,000	300,000	775,000	2,625	2,625	5,251	59,937	65,187	709,813
Visual Arts Centre	2020	-	25,000	25,000	-	-	-	-	-	25,000
Public Works Depot Improvements	2020	-	65,000	65,000	-	10,990	10,990	5,495	16,485	48,515
Diane Hamre Recreation Centre - Bldg Expense	2020	-	13,000	13,000	-	7,327	7,327	-	7,327	5,673
Courtice Community Centre - Bldg Expense	2020	2,460	702,000	704,460	-	39,343	39,343	-	39,343	665,117
Rickard Recreation Centre - Bldg Expense	2020	5,000	210,000	215,000	-	151,298	151,298	24,871	176,169	38,831
Rickard Recreation Centre - Equipment	2020	(6,757)	11,000	4,243	-	4,243	4,243	-	4,243	-
South Courtice Arena - Bldg Expense	2020	-	36,000	36,000	-	28,906	28,906	-	28,906	7,094
Various Facilities - Safety Bollards/Planters	2020	-	9,000	9,000	-	-	-	-	-	9,000
South Bowmanville Centre - Phase 2 Design/Construction	2020	-	4,200,000	4,200,000	-	-	-	-	-	4,200,000
Various Arenas	Annually	140,845	50,000	190,845	35,461	155,384	190,845	-	190,845	0
Roof Replacements - Various	Annually	7,461	150,000	157,461	-	-	-	-	-	157,461
Annual Building Studies	Annually	61,459	45,000	106,459	-	7,581	7,581	74,371	81,952	24,507
		\$ 4,248,302	\$ 6,103,000	\$ 10,351,302	\$ 1,066,782	\$ 1,595,044	\$ 2,661,827	\$ 620,695	\$ 3,282,521	\$ 7,068,780

Municipality of Clarington - 2020 Year End Capital Update
Asset Category: Environmental and Related
As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
Erosion Control - Brookhill tributary remedial works	2020	\$ -	\$ 250,000	\$ 250,000		\$ -	\$ -		\$ -	\$ 250,000
Various Erosion Protection Works	2020	396,340	200,000	596,340		34,059	34,059	562,281	596,340	-
SWM Pond - Technology Park	2020	-	1,600,000	1,600,000		-	-		-	1,600,000
Retaining Walls - various	2020	6,573	321,100	327,673		31,145	31,145	36,764	67,909	259,763
Kendal Drainage	2020	-	50,000	50,000		3,786	3,786		3,786	46,214
SWM - Clarington Stormwater Pond Cleanout	Annually	95,523	305,000	400,523		4,855	4,855	36,297	41,152	359,372
Land Acquisition	Annually	2,042,945	703,696	2,746,641		7,936	7,936	20,123	28,059	2,718,582
		\$ 2,541,381	\$ 3,429,796	\$ 5,971,177	\$ -	\$ 81,782	\$ 81,782	\$ 655,465	\$ 737,247	\$ 5,233,930

Municipality of Clarington - 2020 Year End Capital Update
 Asset Category: Fleet
 As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
Fleet New - MLE Electric Car	2020	\$ (3,858)	\$ 45,000	\$ 41,142		\$ 41,142	\$ 41,142		\$ 41,142	\$ (0)
Fleet Replacement - Animal Services	2020	22,443	35,000	57,443		-	-	49,443	49,443	8,000
EMS - Vehicle Replacement	2020	-	115,000	115,000		97,012	97,012	6,981	103,993	11,007
Fleet -Replacement of Fleet - Roads	Annually	496,404	610,000	1,106,404		496,404	496,404	97,853	594,257	512,147
Fleet -New Fleet - Roads	Annually	682,490	95,000	777,490		149,262	149,262	484,945	634,207	143,283
Fleet -Fleet Replacement - Parks	Annually	139,767	180,000	319,767		189,264	189,264	109,803	299,066	20,701
		\$ 1,337,246	\$ 1,080,000	\$ 2,417,246	\$ -	\$ 973,083	\$ 973,083	\$ 749,025	\$ 1,722,108	\$ 695,137

Municipality of Clarington - 2020 Year End Capital Update
Asset Category: General Administrative Related
As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
Computer - Hardware	Annually	\$ 281,845	\$ 151,400	\$ 433,245		\$ 89,232	\$ 89,232	\$ 34,087	\$ 123,319	\$ 309,926
Computer - Software	Annually	2,095,232	571,100	2,666,332		1,041,918	1,041,918	1,622,243	2,664,161	2,172
Educational Tools - 2020	2020	-	20,000	20,000		-	-	-	-	20,000
Bunker Gear	Annually	73,050	122,425	195,475		117,001	117,001	35,453	152,454	43,021
SCBA Equipment - upgrade	Annually	4,533	37,500	42,033		32,843	32,843		32,843	9,190
EMS - Equipment	Annually	61,051	18,000	79,051		61,051	61,051		61,051	18,000
		\$ 2,515,711	\$ 920,425	\$ 3,436,136	\$ -	\$ 1,342,045	\$ 1,342,045	\$ 1,691,783	\$ 3,033,828	\$ 402,308

Municipality of Clarington - 2020 Year End Capital Update

Asset Category: Parking and Related

As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
Central Parking Meter - Replace	2019	\$ 35,690		\$ 35,690		\$ 35,690	\$ 35,690		\$ 35,690	\$ 0
Parking Lot Rehabilitation - EV Charging Station	2020	55,407	35,000	90,407		-	-	53,603	53,603	36,804
Parking Lot Rehabilitation - Various Locations	Annually	250,020	215,000	465,020		253,073	253,073	185,643	438,716	26,304
		\$ 341,117	\$ 250,000	\$ 591,117	\$ -	\$ 288,763	\$ 288,763	\$ 239,246	\$ 528,009	\$ 63,108

Municipality of Clarington - 2020 Year End Capital Update
 Asset Category: Parks and Related
 As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
Parks - Rhonda Park - Trail	2020	\$ -	\$ 40,000	\$ 40,000		\$ -	\$ -		\$ -	\$ 40,000
Parks - Bowmanville Valley Creek Trail	2017	655,759		655,759	194,542	33,667	228,209	815,794	1,044,003	(388,244)
Parks - Outdoor Recreation Needs Study	2019	75,000		75,000	34,487	23,971	58,458		58,458	16,542
Parks - Farewell Creek Park trail - Phase 1, Phase 2	2017	1,625,748	450,000	2,075,748	505,956	153,924	659,880	16,839	676,719	1,399,029
Parks - Leash Free dog Park - Courtice	2017	125,870		125,870	120,687	5,183	125,870		125,870	0
Parks - Toyota Trail	2019	620,000		620,000	48,705	(1,019)	47,686	39,245	86,931	533,069
Parks - Port Darlington - East Beach Park - Phase 1 - 2013	2013	3,451,124		3,451,124	3,316,971	-	3,316,971		3,316,971	134,153
Parks - Newcastle Community Park - Phase 1	2019	67,500	1,500,000	1,567,500		31,151	31,151	350,068	381,219	1,186,281
Parks - Waterfront Trail Extension	2017	2,286		2,286		2,286	2,286		2,286	(0)
Parks -Park Furniture/Equipment	Annually	440,000	255,000	695,000		597,832	597,832		597,832	97,168
Parks -Various Park Upgrades	Annually	311,151	155,000	466,151		415,339	415,339		415,339	50,812
Cemetery Improvements -Hampton Columbarium	2019	48,759		48,759		48,759	48,759		48,759	-
Cemetery Improvements - Bowmanville Expansion	2017	25,000	1,335,000	1,360,000	1,528	12,077	13,605	38,437	52,042	1,307,958
		\$ 7,448,197	\$ 3,735,000	\$ 11,183,197	\$ 4,222,876	\$ 1,323,170	\$ 5,546,046	\$ 1,260,383	\$ 6,806,429	\$ 4,376,768

Municipality of Clarington - 2020 Year End Capital Update
 Asset Category: **Roads & Bridges**
 As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
Bridges - Longworth Ave culvert at Brookhill Tributary	2017	\$ 67,000		\$ 67,000	project cancelled		\$ -		\$ -	\$ 67,000
Roads - Parkway Ave	2019	40,000	385,000	425,000	5,094	13,707	18,801		18,801	406,199
Roads - Nash Rd (Future Clarington Blvd)	2019	30,000		30,000	5,273	-	5,273		5,273	24,727
Roads - Longworth Ave oversizing	2020	-	162,000	162,000	-	-	-		-	162,000
Roads - Church St	2017	393,451		393,451	343,864	2,845	346,709	9,238	355,946	37,504
Pavement rehabilitation program	Annually	1,660,108	3,295,000	4,955,108		1,693,630	1,693,630	1,387,423	3,081,053	1,874,055
Roads - North Scugog Cr (Dan Sheehan Ln to Conc Rd 3)	2020	-	75,000	75,000	-	-	-		-	75,000
Roads - Longworth Ave. Extension EA (Green Rd to Holt Rd)	2016	281,000		281,000	221,140	24,520	245,660	36,083	281,742	(742)
Roads - Prospect St & Lambs Lane - 2014 area design	2017	1,335,912		1,335,912	970,947	217,879	1,188,826	73,859	1,262,685	73,226
Roads - Mill Street Grade Separation - 2005	2016	759,324		759,324	738,325	12,176	750,501	19,753	770,254	(10,930)
Roads - North St (George St to Grady Dr)	2019	50,000	350,000	400,000		69,305	69,305	44,425	113,730	286,270
Roads - Structures Rehab - Bridge Improvem.	Annually	3,126,299	2,100,000	5,226,299		564,495	564,495	2,281,242	2,845,737	2,380,562
Roads - Port Darlington Rd (East Shore Dr to East Beach Rd)	2020	-	60,000	60,000	-	-	-		-	60,000
Roads - Darlington Blvd (Hwy#2 to South Limit)	2018	27,640		27,640	16,777	-	16,777	6,378	23,155	4,485
Roads - Trulls Rd - Shoulder Improvements (Mitchell's Corner)	2018	205,886		205,886	12,541	-	12,541		12,541	193,345
Roads - Baseline Rd (Mearns to Lambs Rd)	2019	170,000		170,000	8,638	-	8,638		8,638	161,362
Roads - Baseline Rd. (Lambs to Bennett)	2018	2,505,000		2,505,000	1,698,890	125,093	1,823,983	316,876	2,140,860	364,140
Roads - Old Scugog Rd (Edmonson Ave to N Limit of Hampton)	2020	-	50,000	50,000		18,123	18,123	1,718	19,841	30,159
Roads - Grady Dr Environmental Assessment - Construction in 2015	2013	231,500		231,500	121,669	29,828	151,497	78,266	229,763	1,737
Roads - Rudell Road Reconst. - (Grady Dr to North Limit)	2020	-	1,245,000	1,245,000		3,826	3,826		3,826	1,241,174
Roads - Roadside Protection Program	Annually	211,129	150,000	361,129		233,860	233,860	87,429	321,289	39,840
Roads - Baseline Rd Structure (W of Green Rd)	2019	35,000		35,000		-	-	26,098	26,098	8,902
Roads - North Scugog Cr Reconst. - 2011	2016	682,110		682,110		652,285	652,285	12,201	664,486	17,624
Roads - Hancock Rd Box Culvert (S of Nash Rd) 99077	2019	90,000		90,000		-	-		-	90,000
Roads - Scugog St/Middle Rd (Bons Ave to Conc Rd 3)	2015	1,201,000		1,201,000		-	-	176,331	176,331	1,024,669
Roads - Trulls Rd (S of Yorkville Dr to Bloor St)	2019	20,000		20,000		-	-		-	20,000
Roads - George Reynolds Dr. Connecting Link - 2017 & 2019	2017	2,490,417		2,490,417	80,748	34,453	115,200	47,300	162,500	2,327,917
Roads - Conc Rd #3-(Middle Rd-Liberty St.) - 2013	2013	2,265,455		2,265,455	2,126,931	21,996	2,148,927	123,284	2,272,211	(6,757)
Roads - Green Rd - Grade Separation (Bridge) - 2013	2013	7,551,252		7,551,252	7,519,543	31,709	7,551,252		7,551,252	-
Roads - Lake Rd Extension - (Bennett Rd to 310m West)	2018	813,996	1,160,000	1,973,996	14,201	20,709	34,910	10,028	44,938	1,929,058
Roads - Brookhill Blvd Oversizing	2014	310,000		310,000		-	-		-	310,000
Roads - Port Darlington Subdivision Rd (Pt Darlington to East)	2016	1,453,757		1,453,757	1,311,038	1,792	1,312,830	142,719	1,455,549	(1,792)
Roads - Lambs Rd Interchange @ Hwy 401 - JUST A STUDY - NOT TC	2016	330,000		330,000	16,679	-	16,679	13,461	30,140	299,860
Roads - Lambs Lane Reconstruction (Odell St to North Limit)	2016	926,875		926,875	760,996	-	760,996		760,996	165,879
Roads - Alexander Blvd and Liberty Pl Reconstruction	2017	545,000		545,000	6,211	501,414	507,624	122,878	630,502	(85,502)
Roads - King St Cycling Facility	2017	275,000		275,000	3,966	15,475	19,442		19,442	255,559
Roads - George St (North St to Reg d 17)	2019	37,000		37,000	3,263	8,047	11,310	19,041	30,351	6,649
Roads - Brown St (Victoria St to Queen St)	2019	91,000		91,000	3,785	34,951	38,735	28,415	67,151	23,849
Roads - Nash Rd Reab & Bicycle Facilities (Solina Rd to Hancock Rd)	2019	450,000		450,000		8,228	8,228		8,228	441,772
Roads - Whistle Cessation Study - Wilmot Creek	2019	150,000		150,000		-	-	10,176	10,176	139,824
Roads - Capital Works Fill Management	2019	10,000		10,000		-	-		-	10,000
Roads - Queen St Extension (St George to Frank St)	2019	20,000		20,000		-	-		-	20,000
Roads - Trulls Rd Rural upgrades (Baseline Rd to Bloor St)	2019	15,000		15,000		-	-		-	15,000
Roads - Prestonvale Rd (Baseline Rd to S of Southfield Ave)	2019	15,000		15,000		-	-		-	15,000
Roads - Lambs Rd (Concession St E to CPR)	2019	20,003		20,003		-	-		-	20,003
Roads - Hains St (Baseline to Hwy#2)	2020	-	125,000	125,000		-	-		-	125,000
Roads - Millstream Lane Rehab (King Ln to Old Scugog Rd)	2020	-	375,000	375,000		6,090	6,090		6,090	368,910
Roads - Lambs Rd (275m N of Baseline to Hwy#2)	2020	-	50,000	50,000	project cancelled					50,000
Roads - George St (Mill St to Beaver St)	2020	-	25,000	25,000		-	-		-	25,000
Roads - Rural Road resurfacing	Annually	37,378	150,000	187,378		75,903	75,903	111,475	187,378	(0)
Roads - Lambs Rd (Baseline to 275m N of Baseline)	2018	790,500		790,500	654,743	78,502	733,244	56,756	790,000	500
Roads - Lambert St (King to Church)	2018	30,000		30,000	2,211	-	2,211	6,632	8,843	21,157
Roads - Lambs Rd (Hwy #2 to Concession St E)	2018	2,200,000		2,200,000	28,155	198	28,353	30,406	58,759	2,141,241
Roads - Baseline Rd (Trulls Rd to Courtice Rd)	2019	2,500,000		2,500,000	33,354	87,863	121,218	19,290	140,508	2,359,492
Roads - Rural Road resurfacing	Annually	2,112,743	2,530,000	4,642,743		4,418,540	4,418,540	4,623	4,423,163	219,580
		\$ 38,562,734	\$ 12,287,000	\$ 50,849,734	\$ 16,708,982	\$ 9,007,438	\$ 25,716,420	\$ 5,303,808	\$ 31,020,228	\$ 19,829,506

Municipality of Clarington - 2020 Year End Capital Update
 Asset Category: Roadside
 As of 12/31/2020

Project	Project Budget Year	Previous Yr's Funding	2020 Budget	Total Funding Available for 2020	Previous Yr's Expenses	2020 Expenses	Total Expenses	Outstanding Commitments	Total Expenses and Commitments	Unexpended Funds
St. Light installation - LED Conversion	2018	\$ 3,255,658		\$ 3,255,658	\$ 2,066,423	\$ 923,925	\$ 2,990,348	\$ 260,612	\$ 3,250,960	\$ 4,698
St. Light installation - Various	Annually	260,727	100,000	360,727	33,483	33,483	33,483	2,596	36,079	324,648
St. Light installation - Baseline Rd (Green Rd to West Side Dr)	2015	55,000		55,000	41,619	1,116	42,735	3,947	46,682	8,318
St. Light installation - RR57 (Hwy#2 to 150m N of Stevens Rd)	2018	20,000	80,000	100,000	-	-	-	-	-	100,000
St. Light installation - RR57 (Conc Rd 3 to Urban Limit)	2018	340,000		340,000	30,352	-	30,352	-	30,352	309,648
St. Light installation - Baseline Rd & Lambs Rd	2019	200,000		200,000	13,997	127,525	141,522	58,478	200,000	(0)
Sidewalk - Various Replacement	Annually	201,053	183,000	384,053	190,878	190,878	190,878	95,730	286,608	97,445
Sidewalk - Pedestrian Crossovers	2020	71,554	80,000	151,554	52,646	52,646	52,646	97,610	150,256	1,298
Sidewalk - North St, Newcastle	2017	85,000		85,000	-	3,571	3,571	-	3,571	81,429
Sidewalk - Hwy#2	2020	-	135,000	135,000	-	-	-	-	-	135,000
Sidewalk - Waverly Rd	2017	145,000		145,000	-	5,647	5,647	-	5,647	139,353
Sidewalk - Rudell Rd (Sunset Blvd to Hart)	2015	43,000		43,000	-	-	-	-	-	43,000
Sidewalk - Prestonvale Rd (Bloor St to 230m N)	2020	-	35,000	35,000	-	-	-	-	-	35,000
Sidewalk - RR22 Multi-use path (Prestonvale Rd to 65m E)	2020	-	15,000	15,000	-	-	-	-	-	15,000
Sidewalk - Liberty St. Sidewalk - 2011	2016	98,000		98,000	509	74,124	74,633	15,901	90,534	7,466
Sidewalk - RR17 (Mill St to CPR) East Side	2020	-	310,000	310,000	-	-	-	-	-	310,000
Sidewalk - Trulls Rd (Avondale Rd to Hwy#2) East Side	2020	-	30,000	30,000	-	-	-	-	-	30,000
Sidewalk - RR34 (Nash to N Urban Limit)	2018	25,000		25,000	8,304	-	8,304	92	8,395	16,605
Sidewalk - Trail - Waterfront (Waverley Rd to West Beach Rd)	2018	230,000		230,000	-	343,047	343,047	-	343,047	(113,047)
Sidewalk - Active Transportation Master Plan	2020	-	70,000	70,000	-	-	-	-	-	70,000
Sidewalk - King Lane, Hampton	2019	294,914		294,914	-	294,914	294,914	5,362	300,276	(5,362)
Sidewalk - Tooley Rd (Nash Rd to 265m N of Nash Rd)	2020	309	30,000	30,309	-	30,309	30,309	-	30,309	-
Sidewalk - RR57 (Conc Rd 3 to Urban Limit)	2018	250,000		250,000	1,470	-	1,470	-	1,470	248,530
Sidewalk - Multi-use Trail - RR57 (Aspen Springs to Hwy2)	2018	15,000	240,000	255,000	-	-	-	-	-	255,000
Traffic Signal -King & Roenigk	2018	120,000		120,000	-	22,858	22,858	71,642	94,500	25,500
Traffic Signal - Pedestrian Countdown Indicators	2020	-	126,000	126,000	-	-	-	126,000	126,000	-
Traffic Signal - Accessible Signal Upgrade - Clarington Blvd & Stevens R	2019	85,000		85,000	-	46,226	46,226	10,155	56,381	28,619
Traffic Signal - Green Rd at Stevens Rd	2017	255,358		255,358	305	255,053	255,358	-	255,358	-
Traffic Signal - Accessible Upgrade - King & Roenigk	2020	-	130,000	130,000	-	-	-	130,000	130,000	-
Traffic Signal - Accessible Upgrade - King & Temperance	2020	-	105,000	105,000	-	-	-	105,000	105,000	-
Intersection Improvements -Scugog St at Wellington St	2017	170,935		170,935	14,192	106,893	121,085	-	121,085	49,850
Intersection Improvements -Longworth Ave and Green Rd	2017	70,000		70,000	10,147	-	10,147	-	10,147	59,853
Intersection Improvements -King St at Scugog St	2016	100,000		100,000	28,468	69,927	98,395	-	98,395	1,605
Intersection Improvements - Green Rd & Boswell Dr	2017	518,904		518,904	517,493	1,411	518,904	-	518,904	-
		\$ 6,910,412	\$ 1,669,000	\$ 8,579,412	\$ 2,733,278	\$ 2,583,553	\$ 5,316,832	\$ 983,125	\$ 6,299,956	\$ 2,279,456