



REPORT

REPORT TO: Mayor Rick Bonnette and Members of Council
REPORT FROM: Dennis Y. Perlin, CAO
DATE: May 21, 2009
REPORT NO.: ADMIN 2009-0034
RE: Fair Trade Procurement Policy

RECOMMENDATION:

THAT Report ADMIN 2009-0034 dated May 21st, 2009 regarding the Fair Trade Procurement Policy be received;

AND FURTHER THAT the Fair Trade Procurement Policy attached as Appendix A to this Report be approved;

AND FURTHER THAT staff bring forth the necessary by-law to implement the Recommendations outlined in Report ADMIN 2009-0034.

BACKGROUND:

As a result of the "Buy American" Provisions in the United States Infrastructure Stimulus package as outlined in Report ADMIN 2009-0024, Town Council, at its special meeting on April 20th, 2009 passed a Resolution:

"requesting all municipalities in Canada to adopt a Procurement Policy that future Canadian infrastructure projects at the municipal level, including environmental projects such as water and wastewater treatment projects, require that any goods and materials required for the projects be bought only from companies whose countries of origin do not impose local trade restrictions against goods and materials manufactured in Canada to better ensure open, fair and competitive practices across the globe"

COMMENTS:

In response to the Council Resolution, staff has developed a proposed Fair Trade Procurement Policy for Council consideration to add to the Town's present purchasing policies. The proposed Fair Trade Procurement Policy is set out in Appendix A to this Report.

The Policy has been drafted to mirror the "Buy American" provisions in the United States Infrastructure Stimulus Legislation; ie ARRA. It sets out the fair trade requirements and establishes the same opportunities for waiver as in the "Buy American" provisions. It also contains procedural elements to enable the processing and review of tenders and proposals to ensure that the "Fair Trade Resolution" passed by Council is respected.

The Purchasing Section of the Corporate Services Department will be charged with ensuring the Fair Trade Procurement Policy is followed.

RELATIONSHIP TO STRATEGIC PLAN:

This is an operational issue.

FINANCIAL IMPACT:

There is no financial impact in implementing this policy per se. There may be some additional cost in some infrastructure project contract awards that can only be determined on an individual basis. The waiver provisions of the Policy would permit Council to put a 25% cap on any premium.

COMMUNICATIONS IMPACT:

Once implemented, Purchasing staff will advise the appropriate staff in the other departments who are involved infrastructure procurements. In addition, this Policy will be included in all infrastructure requests for tenders and requests for proposals.

ENVIRONMENTAL IMPACT:

There is no environmental impact.

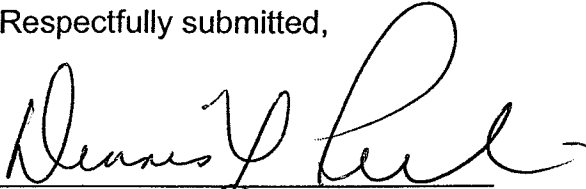
CONSULTATION:

The Chief Administrative Officer has consulted with purchasing staff in the development and policy.

CONCLUSION:

This Report would implement Council's Fair Trade Resolution of April 20th, 2009 by recommending the adoption of a "Fair Trade Procurement Policy".

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Dennis Y. Perlin", written over a horizontal line.

Dennis Y. Perlin
Chief Administrative Officer



POLICY

TITLE: Fair Trade Procurement Policy

NUMBER: ADMIN 2009-0034

CATEGORY: Corporate

DATE: May 25, 2009

REFERENCES AND RELATED DOCUMENTS:
Purchasing Policy

PURPOSE:

To adopt a Procurement Policy for Town Infrastructure projects that requires that any goods, materials, supplies, services, contractors and sub contractors required for the projects come only from companies whose countries of origin do not impose local trade restrictions against goods, materials, supplies, services, contractors and sub contractors from Canada to better ensure open, fair and competitive practices across the globe.

DEFINITIONS:

All references to 'Infrastructure Projects' in this Policy denote all Town infrastructure construction projects and without in any way limiting the generality of the foregoing, includes the construction of new buildings, the renovations of existing buildings, the paving and surfacing of roads and the construction of roads, including sidewalks, parks, gardens, cemeteries, playgrounds, sport fields, boardwalks, trails, storm sewers and storm sewer facilities.

SCOPE/STAFF PRIMARILY AFFECTED:

All staff involved in the procurement process for Infrastructure Projects.

POLICY DETAILS:

All Town Infrastructure Projects shall only:

- a) use goods, materials, supplies and services made and/or assembled in countries of origin which do not impose local trade restrictions against goods, materials, supplies and services made and/or assembled in Canada; and

- b) be awarded to contractors and sub-contractors whose countries of origin do not impose local trade restrictions against goods, materials, supplies, services, contractors and sub-contractors from Canada.

POLICY WAIVER:

If determined by Council there could be a waiver of this policy with respect to the award of any Infrastructure Project, where there would be:

- a) Unavailability; ie. a particular good, material, supply or service is not manufactured in available quantities and at satisfactory quality levels in countries which do not ipose local trade restrictions against goods, materials, supplies and services made and/or assembled in Canada;
- b) Unreasonable cost; ie. A particular good, material, supply or service is manufactured in available quantities and at a satisfactory quality level but at an unreasonable cost; namely 25% or more over the budget estimate; or
- c) Impracticality or inconsistency with the public interest

PROCEDURES:

In any requests for tenders or proposals, bidders and proponents will be required to indicate the country of origin for the goods, materials, supplies and services they intend to use for the particular contract and the country of origin of the bidders and sub-bidders or the proponents and sub-proponents.

Included in the Request for Tenders and Proposals will be this Fair Trade Procurement Policy.

Bidders and proponents seeking a policy waiver on any of the above noted grounds concerning the goods, materials, supplies, services, contractors and sub-contractors they intend to use, may make such a policy waiver request through the Manager of Purchasing prior to bid closing in sufficient time to permit the Manager of Purchasing to seek Council's approval of any such waiver request.

POLICY REVIEW:

The Manager of Purchasing will bring forward, from time to time, amendments to this Policy to update same, add new clauses or adjust those currently in force as the case may be.



BY-LAW NO. 2009-0057

A By-law to amend the Purchasing Policy for the Town of Halton Hills.

WHEREAS Section 270(1) of the *Municipal Act 2001, S.O. 2001, c.25* provides for a municipality to adopt and maintain policies with respect to its procurement of goods and services;

AND WHEREAS the Manager of Purchasing, under the direction of the Town's Director of Finance and Treasurer, has the responsibilities of administering policies and establishing procedures for a centralized purchasing or inventory program and the disposal of surplus goods and equipment;

AND WHEREAS Council for the Corporation of the Town of Halton Hills deems it necessary to amend the existing purchasing policy to include a Fair Trade Procurement Policy.

NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE TOWN OF HALTON HILLS ENACTS AS FOLLOWS:

1. **THAT** the Fair Trade Procurement Policy dated May 25, 2009 and attached as Schedule "A" to this bylaw is hereby adopted.
2. **THAT** By-law No. 2006-0110 is hereby amended as follows:

That the Fair Trade Procurement Policy dated May 25, 2009 and attached hereto, be inserted as Part 4A of Schedule "A" of the said Bylaw No. 2006-0110.

BY-LAW read and passed by the Council for the Town of Halton Hills this 25th day of May, 2009.



MAYOR – Rick Bonnette



CLERK – William Roberts

SCHEDULE "A" TO BYLAW NO. 2009-0057

POLICY

TITLE: Fair Trade Procurement Policy

CATEGORY: Corporate

DATE: May 25, 2009

REFERENCES AND RELATED DOCUMENTS:
Purchasing Policy adopted by By-law 2006-0110

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