

**FINANCE COMMITTEE MEETING
ON-LINE VIDEO CONFERENCE**

**Wednesday, February 24, 2021
9:30 a.m.**

A G E N D A

1. APPROVAL OF AGENDA

2. DECLARATIONS OF CONFLICT OF INTEREST

3. APPROVAL OF THE MINUTES

- a) Minutes of the NPCA Finance Committee meeting dated December 3, 2020

Page # 1

4. CORRESPONDENCE

5. DELEGATIONS / PRESENTATIONS

6. CONSENT ITEMS

- a) Report No. FC-04-21 RE: Procurement - 2020 Activity (For receipt)

Page # 4

- b) Report No. FC-03-21 RE: Banking and Investments - 2020 Activity (For receipt)

Page # 8

7. DISCUSSION ITEMS

- a) Report No. FC-01-21 RE: Award of Legal Services Standing Offer of Agreement (For approval)

Page # 10

- b) Report No. FC-02-21 RE: Finance Committee – 2021 Work Plan (For approval)

Page # 15

8. NEW BUSINESS

9. ADJOURNMENT

**FINANCE COMMITTEE
ON-LINE TELECONFERENCE
MEETING MINUTES
Thursday, December 3, 2020
9:30 a.m.**

MEMBERS PRESENT: K. Kawall, Chair
S. Beattie
R. Foster
B. Johnson (arrived 9:45 a.m.)
B. Mackenzie
J. Metcalfe
M. Woodhouse

ABSENT: B. Steele

STAFF PRESENT: C. Sharma, Chief Administrative Officer/Secretary–Treasurer
G. Bivol, Executive Co-Ordinator to the C.A.O/Board
L. Gagnon, Director, Corporate Services
D. MacKenzie, Director, Watershed Management

Chair Kawall called the meeting to order at 9:31 a.m.

1. APPROVAL OF AGENDA

Recommendation No. A&BC-36-2020
Moved by Member Metcalfe
Seconded by Member Woodhouse

THAT the Finance Committee Meeting agenda dated Thursday, December 3, 2020 **BE APPROVED** as presented.

CARRIED

2. DECLARATIONS OF CONFLICT OF INTEREST

None declared.

3. APPROVAL OF THE MINUTES

a) Minutes of the Finance Committee meeting dated October 29, 2020

Recommendation No. A&BC-37-2020
Moved by Member Beattie
Seconded by Member Woodhouse

THAT the minutes of the Finance Committee meeting dated October 29, 2020 **BE APPROVED**.

CARRIED

4. CORRESPONDENCE

None.

5. DELEGATIONS / PRESENTATIONS

None.

6. CONSENT ITEMS

None.

7. DISCUSSION ITEMS

- a) Report No. A&BC-13-20 RE: Reserve's Policy - L. Gagnon, Director, Corporate Services presented the report. Members posed questions. Discussion ensued.

Recommendation No. A&BC-38-2020

Moved by Member Beattie

Seconded by Member Metcalfe

1. **THAT** Report No. A&BC-13-20 RE: Reserves Policy **BE RECEIVED** for Finance Committee input and approval.
2. **THAT** the Reserves Policy **BE RECOMMENDED** to the Board of Directors for approval with an amendment to the first paragraph on page five of the policy to clarify that reserve transfers be considered with the qualification that said transfers "may also include consultation and input from municipal partners as appropriate".

CARRIED

- b) Report No. A&BC-14-20 RE: Tangible Capital Assets Policy

Recommendation No. A&BC-39-2020

Moved by Member Beattie

Seconded by Member Foster

1. **THAT** Report No. A&BC-14-20 RE: Draft Tangible Capital Assets Policy **BE RECEIVED** for Finance Committee input and approval.
2. **THAT** the Final Tangible Capital Assets Policy **BE RECOMMENDED** to the Board of Directors for approval.
3. **AND FURTHER THAT** staff continue to develop best practices and guidance regarding consideration of green infrastructure and climate change in future updates to NPCA's Tangible Capital Assets Policy and Asset Management Plans.

CARRIED

8. NEW BUSINESS

Ms. Sharma, Chief Administrative Officer/Secretary–Treasurer updated the Committee on the recent budget workshop held by staff at the Regional Municipality of Niagara. Ms. Gagnon updated the meeting on the status and terms of financing for the septic system project at the Binbrook Conservation Area.

9. ADJOURNMENT

By consensus, the Chair called the Finance Committee meeting of October 29, 2020 adjourned at 10:47 a.m..

CARRIED

Ken Kawall,
Committee Chair

Chandra Sharma, MCIP, RPP
Chief Administrative Officer / Secretary
- Treasurer

Report To: Finance Committee

Subject: Procurement – 2020 Activity

Report No: FC-04-21

Date: February 24, 2021

Recommendation:

1. **THAT** Report No. FC-04-21 RE: Procurement – 2020 Activity **BE RECEIVED**.

Purpose:

The purpose of this report is to provide the Finance Committee with an annual report on:

- Non-Competitive Procurement transactions for 2020;
- Unsolicited Proposals received in 2020;
- 2020 transactions approved by the CAO/Secretary-Treasurer in excess of \$100,000 for Board approved capital projects;
- Listing of current agreements sourced through cooperative purchasing.

Background:

Section 8.3 – Non-Competitive Procurement Business Case Requirements of the Procurement Policy states:

The Procurement Specialist shall provide a full written report on all Non-Competitive Procurement transaction(s) to the Board of Directors annually, within 3 months of subsequent year.

The minutes of the Audit and Budget Committee from March 12, 2020 include the following recommendation:

8.1 Report No. A&BC-01-2020 RE: Procurement Policy – The Committee requested an annual listing of unsolicited proposals.

The minutes of the Board of Directors meeting from April 16, 2020 include the following recommendation:

- 4d) Report No. FA-19-2020 RE: Delegation of Authority Policy – Ms. Sharma indicated that she would report in annually on the delegation of authority in the procurement of goods and services.

Discussion:

Non-Competitive Procurement

In 2020, NPCA proceeded with a total of 3 transactions in a non-competitive environment:

1. Form and Effect - \$13,760 (P.O. #1314)
Goods or services acquired: website redesign
Procurement Policy Section 8.2 defines allowable exceptions for non-competitive procurement: *“h)i) only one vendor can meet the requirements of a procurement to recognize exclusive rights or to maintain specialized products and/or systems”*
2. Lights by Skedaddle - \$20,998 (P.O. #1320)
Goods or services acquired: outdoor lights – Holiday Trail – Balls Falls
Procurement Policy Section 8.2 defines allowable exceptions for non-competitive procurement: *“a) an unforeseen situation of urgency exists and the goods, services or construction cannot be obtained by means of competitive procurement”*. The operational decision to proceed with the Holiday Trail initiative was made in November. As such, only one vendor had available resources to deliver the service within our timelines.
3. City View - \$119,761 (P.O. #1331)
Goods or services acquired: existing software upgrade (Development Application Tracking System)
Board approved: December 17, 2020, Resolution #175-2020
Procurement Policy Section 8.2 defines allowable exceptions for non-competitive procurement: *“h)i) only one vendor can meet the requirements of a procurement to recognize exclusive rights or to maintain specialized products and/or systems”*

Unsolicited Proposals

There were no unsolicited proposals received in 2020.

CAO/Secretary-Treasurer Approved Capital Project Transactions – 2020

In 2020, the CAO/Secretary-Treasurer approved a total of 3 transaction in excess of \$100,000 for Board approved capital projects:

1. Duomax - \$146,900 (P.O. #1304)
Project: Tree Top Trekking pavilion – Binbrook
2. Walters Custom Works - \$211,355 (P.O. #1311)
Project: Balls Falls septic system – Lincoln
3. R & M Construction - \$122,240 (P.O. #1312)
Project: Virgil dike repair – Virgil

Cooperative Procurement

NPCA participates in multiple Group Purchasing Organizations to aggregate volume and raise the purchasing power of each participating entity. Through collaborative and consortium buying agreements, NPCA benefits from best value, while also reducing time spent on procurement processes. Vendors benefit from large volume and efficient competitive bidding processes that come with multiple awards to a single contract. NPCA also benefits from aggregated national/provincial/regional pricing which allows the smallest of public agencies to leverage the same buying power and contracts as a large public sector agency.

NPCA has entered into the following collaborative agreements, leveraging the benefits of cooperative procurement:

- Containerized waste removal
- Supply and delivery of fuel
- Workplace print and services
- Corporate credit card services
- Courier services
- Mobile devices and related services
- Fine paper agreement
- Customs broker service

Related policies:

1. Procurement Policy
2. Delegation of Authority Policy

Authored by:

Original Signed by:

Eric Gervais
Procurement Specialist

Reviewed by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-Treasurer

Report To: Finance Committee

Subject: Banking and Investments – 2020 Activity

Report No: FC-03-21

Date: February 24, 2021

Recommendation:

1. **THAT** Report No. FC-03-21 RE: Banking and Investments – 2020 Activity **BE RECEIVED**.

Purpose:

The purpose of this report is to provide the Finance Committee with a report on banking and investments for the 2020 fiscal year.

Discussion:

Cash and Cash Equivalents				
	2020 *	2019	Change	%
Bank of Montreal	\$ 4,122,503	\$ 2,659,034	\$ 1,463,469	55.0%
Petty Cash	4,000	4,200	- 200	-4.8%
CIBC	11,650	715,534	- 703,884	-98.4%
Meridian	4,632	75,266	- 70,634	-93.8%
Total	\$ 4,142,785	\$ 3,454,034	\$ 688,751	19.9%

Investments				
	2020 *	2019	Change	%
GIC - Meridian	\$ 4,465,369	\$ 4,381,512	\$ 83,857	1.9%

* *Unaudited*

Please note that the variances Staff consolidated balances from CIBC and Meridian to the Bank of Montreal in order to maximize interest income. The CIBC and Meridian accounts are not interest bearing.

Indebtedness

NPCA has an operating line of credit available in the amount of \$765,000. This credit facility was not utilized in 2020.

Authored by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-
Treasurer

Report To: Finance Committee

Subject: Award of Legal Services Standing Offer of Agreement

Report No: FC-01-21

Date: February 24, 2021

Recommendation:

1. **THAT** Report FC-01-21 RE: Award of Legal Services Standing Offer of Agreement **BE RECEIVED**.
2. **THAT** the Legal Services Standing Offer of Agreement **BE RECOMMENDED** to the Board of Directors for approval to award for a three (3) year term (2021-2024) with the option to renew for two (2) one (1) year extensions to Legal Firm(s) listed in this report for each of their respective practice disciplines.

Purpose:

The purpose of this report is to request that the Finance Committee recommend approval to the Board of Directors for the award of a Legal Services Standing Offer of Agreement to the 7 legal firms listed in Appendix A in each of their respective practice disciplines for a three (3) year term (2021 to 2024) to provide legal services on an as needed basis.

Background:

In 2018 the Office of the Auditor General of Ontario conducted a Special Audit of the Niagara Peninsula Conservation Authority. It was recommended that the NPCA revise its procurement policy for legal services and assess the benefit of establishing continuity and achieving cost savings from contracting with a preferred law firm for each field of law it requires.

In December of 2019, the Governance Committee (Report GC-15-19 RE) directed staff to develop a vendor of record roster for legal services, subject to approval by the Board of Directors.

It was the intention of the Niagara Peninsula Conservation Authority to enter into a Standing Offer Agreement (SOA) in whole or in part for legal services in seven (7) required practice disciplines. Work is to be "as and when required". Based on a competitive process, the NPCA has elected to enter into a Standing Offer of Agreement in part, to the top four (4) firms in each required practice discipline.

In October 2020, an Evaluation Committee was created that included key member(s) of the Senior Leadership Team: Director of Corporate Services, Director of Watershed Management, Human Resources Manager and Compliance Supervisor. CAO was briefed for approval as required.

With the assistance of the Evaluation Committee, A Request for Standing Offer of Agreement (RFSO) was developed that included the following evaluation criteria and posted to Merx (www.merx.com) on November 12th, 2020.

Rated Criteria Category	Weighting (Points)
1. Firms Profile & Executive Summary	5 Point(s)
2. Desirable Criteria that included Qualification of key personnel, Experience, Area of expertise and Response time	35 Point(s)
3. Firm Credentials	15 Point(s)
4. Reference(s)	5 Point(s)
5. Other Services	5 Point(s)
6. Rate(s)	35 Point(s)

The RFSO was reviewed and/or downloaded by 22 law firms. Upon closing on November 27th, 2020, the NPCA received a total of twelve submissions for the seven required practice disciplines.

The evaluation team individually scored each qualified proposal based on the non-price rate criteria as set out in Section F of the RFSO for each practice discipline identified.

Upon completion, each individual evaluation score was calculated then added together with the price evaluation and were ranked based on their total scores. The top four ranked firms for each practice discipline were selected and are summarized below and contained in Appendix A.

Standing Offer of Agreement

<i>Local Government Law</i>	<i>Environmental Law</i>	<i>Municipal and Development Law</i>	<i>Employment & Labour Law</i>	<i>Construction & Procurement Law</i>	<i>Real Estate Law</i>	<i>Civil Litigation Law</i>
<u>Boghosian & Allen LLP</u>	Duncan Linton LLP	Duncan Linton LLP	Duncan, Lipton LLP	Duncan Linton LLP	Duncan Linton LLP	<u>Boghosian & Allen LLP</u>
Duncan Linton LLP	Fasken, Martineau DuMoulin LLP	Fasken, Martineau DuMoulin LLP	Hicks Morley Hamilton Stewart <u>Storie LLP</u>	Fasken, Martineau DuMoulin LLP	Fasken, Martineau DuMoulin LLP	Duncan Linton LLP
Gardiner Roberts LLP	Gardiner Robert LLP	Gardiner Robert LLP	Gardiner Robert LLP	Gardiner Robert LLP	Gardiner Robert LLP	Gardiner Roberts LLP
<u>Suregrant Professional Corporation & Graham Stephenson LLP</u>	<u>Gowling WLG (Canada) LLP</u>	<u>Gowling WLG (Canada) LLP</u>	Rae Christen Jeffries LLP	<u>Gowling WLG (Canada) LLP</u>	<u>Gowling WLG (Canada) LLP</u>	<u>Suregrant Professional Corporation & Graham Stephenson LLP</u>

This Standing Offer of Agreement (SOA) is a nonexclusive agreement that makes no guarantee of the value or volume of work to be assigned to any of the successful firm. The NPCA reserves the right to contract with others for the same or similar deliverables to those that were described in the RFSO.

Financial Implications:

The financial impact of this Standing Offer of Agreement will be reviewed in the Operating Budgets year over year.

Related Reports and Appendices:

Appendix A – RFSO Legal Services NPCA-2020-2022 Roster

Authored by:

Original Signed by:

Eric Gervais
Procurement Specialist, Corporate Services

Reviewed by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-Treasurer

Appendix A – Report No. FC-01-21

RFSO Legal Services NPCA-2020-2022 Roster

Local Government Law

Boghosian & Allen LLP
65 Queen St W #1000,
Toronto, ON M5H 2M5

Gardiner Roberts LLP
22 Adelaide St W #3600
Toronto, ON M5H 4E3

Duncan Linton LLP
45 Erb St E,
Waterloo, ON N2J 1L7

Suregrant Professional Corporation
& Graham Stephenson LLP
905-550 North Service Road
Burlington, ON L7L 6W6

Environmental Law

Duncan Linton LLP
45 Erb St E,
Waterloo, ON N2J 1L7

Fasken, Martineau DuMoulin LLP
333 Bay St #2400,
Toronto, ON M5H 2T2

Gardiner Robert LLP
22 Adelaide St W #3600
Toronto, ON M5H 4E3

Gowling WLG (Canada) LLP
160 Elgin Street
Ottawa, ON K1P 1C3

Municipal and Development Law

Duncan Linton LLP
45 Erb St E,
Waterloo, ON N2J 1L7

Fasken, Martineau DuMoulin LLP
333 Bay St #2400,
Toronto, ON M5H 2T2

Gardiner Robert LLP
22 Adelaide St W #3600
Toronto, ON M5H 4E3

Gowling WLG (Canada) LLP
160 Elgin Street
Ottawa, ON K1P 1C3

Employment & Labour Law

Duncan Linton LLP
45 Erb St E,
Waterloo, ON N2J 1L7

Hicks Morley Hamilton Stewart Storie LLP
150 Caroline Street S, Suite 404
Waterloo, ON N2L 0A5

Gardiner Robert LLP
22 Adelaide St W #3600
Toronto, ON M5H 4E3

Rae Christen Jeffries LLP
70 University Ave #320
Toronto, ON M5J 2M4

Construction & Procurement Law

Duncan Linton LLP
45 Erb St E,
Waterloo, ON N2J 1L7

Fasken, Martineau DuMoulin LLP
333 Bay St #2400,
Toronto, ON M5H 2T2

Gardiner Robert LLP
22 Adelaide St W #3600
Toronto, ON M5H 4E3

Gowling WLG (Canada) LLP
160 Elgin Street
Ottawa, ON K1P 1C3

Real Estate Law

Duncan Linton LLP
45 Erb St E,
Waterloo, ON N2J 1L7

Fasken, Martineau DuMoulin LLP
333 Bay St #2400,
Toronto, ON M5H 2T2

Gardiner Robert LLP
22 Adelaide St W #3600
Toronto, ON M5H 4E3

Gowling WLG (Canada) LLP
160 Elgin Street
Ottawa, ON K1P 1C3

Civil Litigation Law

Boghosian & Allen LLP
65 Queen St W #1000,
Toronto, ON M5H 2M5

Gardiner Roberts LLP
22 Adelaide St W #3600
Toronto, ON M5H 4E3

Duncan Linton LLP
45 Erb St E,
Waterloo, ON N2J 1L7

Suregrant Professional Corporation
& Graham Stephenson LLP
905-550 North Service Road
Burlington, ON L7L 6W6

Report To: Finance Committee

Subject: Finance Committee – 2021 Work Plan

Report No: FC-02-21

Date: February 24, 2021

Recommendation:

1. **THAT** Report No. FC-02-21 RE: Finance Committee – 2021 Work Plan **BE RECEIVED**.
2. **THAT** the Finance Committee - 2021 Work Plan attached as Appendix 1 **BE APPROVED**.

Purpose:

The purpose of this report is to present the draft 2021 Work Plan to the Finance Committee for approval.

Discussion:

The 2021 Finance Committee Work Plan forms a key component of the financial reporting, planning and control structures of the organization, and identifies key priority initiatives required in the year ahead. Additionally, the Work Plan outlines how implementation of this work will be monitored against major deliverables and the Key Performance Indicator (KPI) framework.

Related Reports and Appendices:

Appendix 1: Finance Committee – 2021 Work Plan (Draft)

Authored by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-
Treasurer

Niagara Peninsula Conservation Authority

Finance Committee Annual Work Plan - 2021

Appendix 1 - No. FC-02-21

Amended: 17-FEB-2021

DRAFT	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	JAN-2021	FEB-2021	MAR-2021	APR-2021	MAY-2021	JUN-2021	JUL-2021	AUG-2021	SEP-2021	OCT-2021	NOV-2021	DEC-2021
Finance Committee		24-Feb		28-Apr			28-Jul			27-Oct		
Full Authority Board	21-Jan	18-Feb	18-Mar	15-Apr	20-May	17-Jun	15-Jul		16-Sep	21-Oct	18-Nov	16-Dec
1. Terms of Reference, Audit Work Plan, Committee Evaluation, Appointment of Officers												
a) 2021 work plan		X		X								
b) 2021 work plan to the Board for approval			X		X							
c) Evaluation and review of Committee performance				X								
2. External Audit												
a) Review audit engagement and audit approach		X										
b) Recommend to the Board the appointment of external auditor and remuneration			X									
c) Review draft audited financial statements and Audit Findings Report				X								
b) Recommend to the Board the approval of draft audited financial statements					X							
3. Reporting												
a) Review 2020 Q4 and preliminary year end results, variance reports - Committee				X								
Review 2020 Q4 and preliminary year end results, variance reports - Board					X							
b) Review quarterly results, variance reports and projections - 2021 - Q1 - Committee				X								
Review quarterly results, variance reports and projections - 2021 - Q1 - Board					X							
c) Review quarterly results, variance reports and projections - 2021 - Q2 - Committee							X					
Review quarterly results, variance reports and projections - 2021 - Q2 - Board								X				
d) Review quarterly results, variance reports and projections - 2021 - Q3 - Committee									X			
Review quarterly results, variance reports and projections - 2021 - Q3 - Board										X		
e) Report on banking and investments - Committee		X										
Report on banking and investments - Board			X									
f) Report on procurement: sole sourcing, emergency purch, unsolicited proposals - Committee		X										
Report on procurement: sole sourcing, emergency purch, unsolicited proposals - Board			X									
4. Operating and Capital Budgets												
a) 2021 Operating and Capital budget assumptions - Committee							X					
2021 Operating and Capital budget assumptions - Board								X				
b) 2021 Draft Operating and Capital budgets - Committee									X			
2021 Draft Operating and Capital budgets - Board										X		
5. Corporate Policies and Procedures												
a) Banking and Cash Management Policy - Committee review and approval							X					
Banking and Cash Management Policy - Board review and approval								X				
b) Investments Policy - Committee review and approval							X					
Investments Policy - Board review and approval									X			
c) Operating Loans and Borrowing Policy - Committee review and approval							X					
Operating Loans and Borrowing Policy - Board review and approval									X			
d) Capital Debt Policy - Committee review and approval							X					
Capital Debt Policy - Board review and approval									X			

Amended: 17-FEB-2021

DRAFT	Quarter 1			Quarter 2			Quarter 3			Quarter 4		
	JAN-2021	FEB-2021	MAR-2021	APR-2021	MAY-2021	JUN-2021	JUL-2021	AUG-2021	SEP-2021	OCT-2021	NOV-2021	DEC-2021
Finance Committee		24-Feb		28-Apr			28-Jul			27-Oct		
Full Authority Board	21-Jan	18-Feb	18-Mar	15-Apr	20-May	17-Jun	15-Jul		16-Sep	21-Oct	18-Nov	16-Dec
7. Other (note - agenda for Oct may be too heavy to accommodate b) and c))												
a) Review of insurance coverage and policy										X		
b) Review Risk Management Framework										X		
c) Review Records Retention Policy and Records Management Protocols										X		
d) Bill 229 Levy Regulations				X								
7. Mid and Long Term Objectives												
	2022	2023	2024									
Annually report assessing compliance with legislation and regulatory requirements, financial policies, including procurement, financial reporting, payroll, delegation of authority and accounting procedures												
Review effectiveness of corporate reporting systems regarding administrative and program performance												
Review financial management and controls policy												
Review business expense policy												
Review capital planning policy												