

Municipality Of Chatham-Kent

Finance, Budget & Information Technology Services

Financial Services

To: Mayor and Members of Council

From: Steve Brown, CPA, CMA
Director, Financial Services

Date: January 29, 2019

Subject: Authorization of Payments to Member of Council-Owned Vendors

Recommendations

It is recommended that:

1. Council authorize Administration to process payment for Invoice #5445 in the amount of \$169.50 to Glassroots Media operating as Sydenham Current owned by Councillor Aaron Hall.
2. Council authorize Administration to process payment for any future purchases in compliance with Chatham-Kent's Purchasing By-law for services rendered during this Council term to Glassroots Media operating as Sydenham Current owned by Councillor Aaron Hall.
3. Council authorize Administration to process payment for any future purchases in compliance with Chatham-Kent's Purchasing By-law for services rendered during this Council term to Authier Print & Promotional Products owned by Councillor Mark Authier.
4. Council authorize Administration to process payment for any future purchases in compliance with Chatham-Kent's Purchasing By-law for services rendered during this Council term to Instant Print - Wallaceburg owned by Councillor Mark Authier.
5. Council authorize Administration to process payment for any future purchases in compliance with Chatham-Kent's Purchasing By-law for services rendered during this Council term to John and Kori Wright (towing service) owned by Councillor John Wright.
6. Council authorize Administration to process payment for any future purchases in compliance with Chatham-Kent's Purchasing By-law for services rendered during this Council term to Bondy's Dry Cleaners operated by Councillor Michael Bondy.

Background

The Municipality of Chatham-Kent regularly utilizes the services and/or products of many vendors operating within and beyond Chatham-Kent's boundaries. All purchases made by municipal departments are made in compliance with the Municipality's Purchasing By-law requiring a competitive process for items above \$2,500. Councillors are able to own and/or operate a business outside of their councillor duties, and at times the services or products they provide meet the needs of municipal departments and are subsequently purchased requiring Council's approval for payment.

Comments

Employees who are also vendors may be contracted by the Municipality of Chatham-Kent, however in the effort to maintain full transparency in Chatham-Kent's procurement policies, this potential conflict is being disclosed and requesting approval accordingly.

Section 39 (e) of the Purchasing By-law states: Council must approve the purchase of any deliverables where the company being awarded is owned directly or indirectly, in whole or in part, by a member of Council.

To provide ongoing oversight of the purchases made by municipal departments from businesses owned and/or operated by Council members, the Audit Committee will review during each committee meeting a listing of all purchases made. In addition, an annual Information Report will be presented to Council in open session indicating all purchases and dollar amounts made to these same businesses.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

- Economic Prosperity:
Chatham-Kent is an innovative and thriving community with a diversified economy
- A Healthy and Safe Community:
Chatham-Kent is a healthy and safe community with sustainable population growth
- People and Culture:
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- Environmental Sustainability:
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- Financial Sustainability:
The Corporation of the Municipality of Chatham-Kent is financially sustainable

- Open, Transparent and Effective Governance:
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

Consultation

Economic Development Services was consulted in the preparation of this report.

Financial Implications

The cost for Invoice #5445 in the amount of \$169.50 will be funded through the Economic Development Services base budget. Any future purchases by municipal departments will be funded by the respective base budget of the department making the purchase.

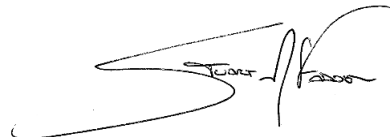
Prepared by:

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Director, Financial Services

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Consulted and confirmed the content of the consultation section of the report by:



Stuart McFadden
Director, Economic Development Services

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- Jennifer Scherle, Purchasing Officer
- Tracy Turner Bartlett, Supervisor, Accounts Payable