

TO: CITY MANAGER

2002 February 13

FROM: DIRECTOR FINANCE

File: T97/U54

**SUBJECT: AGREEMENT ON INTERNAL TRADE (AIT)
AND THE B.C. MUNICIPALITIES**

PURPOSE: To seek Council's approval of the draft resolution regarding the Agreement on Internal Trade.

RECOMMENDATION(S):

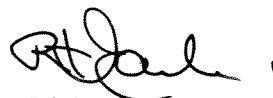
1. THAT a copy of this report and resolution be sent to the Union of B.C. Municipalities annual general meeting, and
2. THAT a copy of this report and resolution be sent to the Lower Mainland Municipal Association for consideration and adoption.

REPORT

At its meeting of 2002 February 11, Burnaby Council received a report from the City Clerk highlighting the documented level of support throughout the Province for Burnaby's resolution opposing the Provincial government extension of the purchasing provisions of the Agreement on Internal Trade to B.C. municipalities, regional districts, municipal organizations, school boards, universities, colleges, health and social service agencies as of 2002 March 31.

Out of the discussion Council requested that a resolution be prepared for submission to the Union of B.C. Municipalities and the Lower Mainland Municipal Association for their consideration, adoption and transmission to the Provincial government.

The proposed resolution is attached to this report.



Rick Earle
DIRECTOR FINANCE

**PURCHASING PROVISIONS OF THE
AGREEMENT ON INTERNAL TRADE (AIT)
AND THE B.C. MUNICIPALITIES**

CITY OF BURNABY

2002 February 21

WHEREAS, B.C. municipalities already comply with the intent of the procurement provision rules of the Agreement on Internal Trade (AIT) and enshrining these rules in legislation opens an avenue of challenge based on creative interpretations placing municipalities in a position of unnecessarily defending legitimate criteria set for tenders, with no discernable benefits being achieved by the legislation;

AND WHEREAS, the dispute resolution process denoted in the AIT is contrary to the stated spirit of the Community Charter, potentially leading to decisions that are detrimental to the achievement of municipal objectives and good governance through the exclusion of municipalities from the dispute resolution process:

THEREFORE BE IT RESOLVED that the municipalities of B.C. be on record as being opposed to inclusion in the purchasing provisions of the AIT, and the Province be requested to commit to full consultation with the municipalities before adoption of any further changes to the AIT,

AND BE IT FURTHER RESOLVED that in the absence of rescinding the legislation the Province commit to pay any and all costs, regardless of outcome, arising from disputes under the AIT.