



FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: AMENDMENTS TO THE BURNABY ROUTINE TRANSACTION
AUTHORITY BYLAW 1999**

RECOMMENDATIONS:

1. THAT Council approve changes to the Burnaby Routine Transaction Authority Bylaw 1999, as outlined in this report.
2. THAT Council authorize the City Solicitor to bring forward a bylaw amending the Burnaby Routine Transaction Authority Bylaw 1999 in accordance with this report.

REPORT

The Financial Management Committee, at its meeting held on 2018 April 17, received and adopted the attached report seeking Council approval for amendments to the Burnaby Routine Transaction Authority Bylaw 1999.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor C. Jordan
Vice Chair

Copied to:	City Manager Director Corporate Services Director Finance Director Engineering Director Parks, Recreation & Cultural Services Director Planning & Building Director Public Safety & Community Services Director Human Resources Chief Librarian City Solicitor Purchasing Manager
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TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2018 April 09

FROM: DIRECTOR FINANCE
DIRECTOR CORPORATE SERVICES

FILE: 6900-01

SUBJECT: AMENDMENTS TO THE BURNABY ROUTINE TRANSACTION
AUTHORITY BYLAW 1999

PURPOSE: To obtain Council approval for amendments to the Burnaby Routine Transaction Authority Bylaw 1999.

RECOMMENDATIONS:

1. **THAT** the Financial Management Committee recommend Council approve changes to the Burnaby Routine Transaction Authority Bylaw 1999 as outlined in the report; and
2. **THAT** the Financial Management Committee recommend Council authorize the City Solicitor to bring forward a bylaw amending the Burnaby Routine Transaction Authority Bylaw 1999 in accordance with the report.

REPORT

POLICY CONSIDERATIONS

This report is aligned with the City of Burnaby's Corporate Strategic Plan by supporting the goal: A Thriving Organization, and sub-goals: Organizational Culture, Financial Viability and Reliable Services, Technology and Information.

PROPOSED BYLAW CHANGES

The Burnaby Routine Transactions Bylaw 1999 delegates authority to officers and employees of the organization in respect to various routine matters, including approval of expenditures, execution of agreements and legal documents and settlement of claims.

In light of recent retirements, changes in senior staff within the organization and the increase in Small Claims Court monetary limit, amendments are proposed to update the Burnaby Routine Transaction Bylaw 1999.

To: *Financial Management Committee*
 From: *Director Finance*
 Director Corporate Services
 Re: *Amendments to the Burnaby Routine Transaction Authority Bylaw 1999*
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Approval of Expenditures

Section 2 (a) (ii) of the Routine Transaction Authority Bylaw currently sets out expenditure limits to specific positions which, aside from Council and the Purchasing Manager, primarily consist of staff who are Members of Management Committee as follows:

Authority	Limit Thresholds (\$)
Council	> 500,000
City Manager	250,001 – 500,000
Purchasing Manager	50,001 – 250,000
Deputy City Manager	50,001 – 200,000
Director Engineering	50,001 – 200,000
Director Finance	50,001 – 200,000
Director Planning & Building	50,001 – 200,000
Director Parks, Recreation & Cultural Services	50,001 – 200,000
Director Public Services & Community Services	50,001 – 200,000
Fire Chief	50,001 – 200,000
Chief Librarian	50,001 – 200,000
Chief Information Officer	50,001 – 200,000

With the retirement of the former Deputy City Manager and establishment of the Director Corporate Services position, it is recommended that the expenditure approval limit for Members of Management Committee be set out more generally to allow for changes in position titles and composition of the Management Committee without the need for further amendment to the Bylaw. The proposed amendment would also clearly specify that these positions are authorized to execute contracts within their authorized expenditure limit. Section 2(a)(ii) is proposed to be replaced with the following:

(a1) to each of the positions listed below, the authority to approve for award of contract by the City’s Purchasing Manager and execute legal agreements for procurement of municipal goods, services and construction where the authorized level does not exceed the amount shown in the table below:

Authority	Limit Thresholds (\$)
Council	> 500,000
City Manager	250,001 – 500,000
Purchasing Manager	50,001 – 250,000
Members of Management Committee (excluding OIC, RCMP)	50,001 – 200,000

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Execution of Agreements and Legal Documents

Currently, the Routine Transaction Authority Bylaw 1999 narrowly defines the types of contracts and legal documents the City Clerk is authorized to sign. The broader authority for the City Clerk to be the City's signing authority is designated to a specific staff member through a Council resolution. To better capture the types of agreements and documents that require execution by the City Clerk and assign the signing authority to the City Clerk position (rather than a specific individual), it is proposed that section 2(b) of the Routine Transaction Authority Bylaw 1999 be amended to authorize the City Clerk position to execute the following after statutory and/or Council requirements have been satisfied:

- (i) Land Title and related documents;
- (ii) Leases and licences of City land or in favour of the City;
- (iii) Offers and purchase and sale agreements for disposition of City land;
- (iv) Contracts for procurement of municipal goods, services and construction authorized in accordance with section 2(a1) of the Bylaw (see discussion above);
- (v) Servicing and access and works agreements associated with building and development applications;
- (vi) Settlement agreements and releases approved by the City Solicitor in accordance with section 2(e) of the Bylaw (see discussion below); and
- (vii) Other agreements to which the City is a party.

Legal Proceedings and Settlement Authority

Currently, the Routine Transaction Authority Bylaw gives the City Solicitor the authority to approve payment of claims that do not exceed \$25,000, subject to receipt of an appropriate release. This amount was consistent with the limit for Small Claims Court, which has now increased to \$35,000. The *Small Claims Act* allows for the limit to be increased up to \$50,000 and it is anticipated that this will be implemented over time by the Province to provide claimants easier access to Court processes for settling disputes. The BC Supreme Court is currently overwhelmed with cases and faces significant delays.

The City Solicitor is seeking to increase the settlement authority to \$50,000 and also for Council to delegate the authority to initiate legal proceedings on behalf of the City for debt owing or damages not exceeding \$50,000 and for bylaw enforcement purposes. Council has authorized the addition of a Staff Counsel position in the Legal Department and the City has also recently awarded a contract to ARO Inc. for collection of outstanding accounts receivables on behalf of the City. The Finance and Legal Departments have reviewed ARO Inc.'s legal escalation procedures and fees and determined that it would be cost effective for the City to allow ARO Inc. to escalate some cases to Court action, with the oversight of the City Solicitor and Staff Counsel. Also, with a Staff Counsel position, the Legal Department will be able to better assist City departments with escalating bylaw enforcement matters to Court action in situations where the City is unable to attain compliance through other measures. To efficiently implement the legal escalation, it is recommended that the City Solicitor be given the authority to review and approve

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the initiation of such Court actions. Currently, a Council resolution is required in order to commence any Court proceeding on behalf of the City. The City Solicitor will use a variety of criteria to assess the suitability of a file for Court action and only commence legal proceedings after other measures have been exhausted.

In order to implement the additional authority, section 2(e) of the Routine Transaction Authority Bylaw 1999 is proposed to be amended as follows:

- 2(e) to the City Solicitor, the authority to:
 - (i) approve for payment of claims against the City that do not exceed \$50,000, subject to the receipt of an appropriate settlement agreement or release;
 - (ii) initiate legal proceedings on behalf of the City for debt owing or damages not exceeding \$50,000;
 - (iii) initiate legal proceedings to enforce compliance with City bylaws or orders.

RECOMMENDATIONS

It is requested that the Financial Management Committee recommend Council approve changes to the Burnaby Routine Transaction Authority Bylaw 1999 as outline in the report and authorize the City Solicitor to bring forward a bylaw amending the Burnaby Routine Transaction Authority Bylaw 1999 in accordance with this report.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE



Dipak Dattani
DIRECTOR CORPORATE SERVICES

NK /mlm

- cc: City Manager
- Director Engineering
- Director Human Resources
- Director Parks, Recreation & Cultural Services
- Director Planning & Building
- Director Public Safety & Community Services
- Chief Librarian
- City Clerk
- City Solicitor
- Purchasing Manager