

ATTACHMENT 1
BILL 72, PROPOSED POLICY AND COUNTY FEEDBACK
BUY ONTARIO ACT, 2025

Summary of Key Proposed Policy and County Implications

BILL 72, BUY ONTARIO ACT, 2025 - KEY ELEMENTS

Policy Development Consideration	Policy Proposal	County Implications	Summary of Response to the Province
<p>To maximize the benefits of the policy, the scope of the proposed policy should include all procurement methodologies at any dollar value and be applied to any capital infrastructure and construction procurement models. However, exclusions may be included where it is not feasible operationally.</p>	<p>The expanded policy would apply to:</p> <ul style="list-style-type: none"> • Government entities - ministries and provincial, designated broader public sector organizations and municipalities and local boards <p>The scope includes all new capital infrastructure and construction procurements of any dollar value however, may not apply when a public sector entity is required to comply with specific procurement obligations (e.g., Buy Canadian) tied to federal funding for capital infrastructure and construction projects.</p>	<ul style="list-style-type: none"> • The County may face increased timelines for projects, from start to finish, higher costs, and supply shortages until the market realigns to be able to meet the needs of the demand. 	<ul style="list-style-type: none"> • Project funded through the Federal Government should be exempt as it follows its own funding terms. • The more complex the project, specialized, the less restrictive the parameters should be, allowing a more cohesive project with less interruptions waiting on equipment.

BILL 72, BUY ONTARIO ACT, 2025 – PROPOSED EFFECTIVE DATE

Policy Development Consideration	Policy Proposal	County Implications	Summary of Response to the Province
	Proposed Effective Date - March 2026	<ul style="list-style-type: none">• The County will have extreme difficulty meeting a March effective date.• With no defined directives, a go forward plan cannot be formulated or implemented.• Staff, contractors, subtrades will not be prepared for this change, possibly resulting in unresponsive bids.• Tenders currently being prepared for release may be delayed in going to market if the requirements change in the immediate future. For example, Community Services and Operations have various projects nearing the tendering phase, they may be required to be adjusted and re-examined to ensure they meet any new directives issued.	<ul style="list-style-type: none">• With directives still being drawn up, municipalities are unable to be prepared for a March 2026 roll out.• September 2026, if directives, and resources are provided in due course may be attainable.• We are entering the busier construction/tendering portion of the year with new projects being close to hitting the market, having to pivot and adjust various component requirements will add more time to the process from all aspects.

BILL 72, BUY ONTARIO ACT, 2025 – DEFINITIONS

Policy Development Consideration	Policy Proposal	County Implications	Summary of Response to the Province
<p>The policy will include the following definitions for scope: (1) “Capital Infrastructure” includes all social and transit/transportation infrastructure projects (e.g. provincial highways, subways, correctional facilities); (2) “Public sector entity” – means a government entity or a designated broader public sector organization, a “municipality” or a “municipal entity”</p> <p>The policy will also include definitions for “Construction”, “Ontario Made”, “Canadian Made”, “Ontario Service”, “Canadian Service”, and “Public sector entity”.</p>		<ul style="list-style-type: none"> • Clear, concise definitions will be required for staff to work within new directives. • Staff, consultants, vendors will need time to absorb the directives and apply them. • This would be helpful if this was one of the first pieces of information, directives released. 	<ul style="list-style-type: none"> • Clear, concise direction will need to be provided with time to put a process in place. This directive should be released early in the process so that staff, vendors, consultants may understand the impacts and new requirements.
<p>Vendors participating in public sector procurements would be required to commit to sourcing Ontario-made goods and Ontario Services and Canadian-made goods and Canadian Services as much as possible for major goods and services identified and would be evaluated on an evaluation criteria to rate the strength of their Commitment to the Ontario based and Canadian based supply chain.</p>	<p>The thresholds could use applicable trade agreement monetary thresholds for the public sector entity.</p> <ul style="list-style-type: none"> • Public-sector entities must give priority to Ontario-Made and Canadian-Made goods and services when procuring major goods for capital infrastructure and construction projects. The Public sector entity would outline the major goods (structural materials and building envelope components) and services and the vendor would submit a Domestic Supply Chain 	<ul style="list-style-type: none"> • Please note the thresholds have not been released but may align with Trade agreements, which staff utilize on a regular basis and are familiar with. • More time will be required to evaluate bids. • More time will be required for the bidding process as this is a new requirement, bidders will lack familiarity with documentation. • There will be “growing pains” and the view from the public may be impacted 	<ul style="list-style-type: none"> • It is feasible to have a vendor submit a Domestic Supply Chain Plan. • It is also feasible to provide a list of major goods and services in the procurement. • A standardized Form/Plan should be provided to ensure consistency and familiarity for both the Vendor and Municipality. • A new Ontario Provincial Standard Specification (OPSS) could be created for clarity and reference.

	<p>Plan that meets this requirement, including those provided by subcontractors.</p> <ul style="list-style-type: none">• Public-sector entities must then use defined evaluation and scoring methods to give preference to bidders that use Ontario-Made and Canadian-Made products and Ontario or Canadian services for the project's major goods, where feasible.	<p>(producing less at a higher cost).</p> <ul style="list-style-type: none">• Consulting costs will increase significantly, as they will be required to conduct more follow up to ensure the materials list is being followed and providing any required documentation to meet Provincial audits.• Staff will require external resources to assist with questions as directives are released.• Some smaller vendors may have difficulty with this process, and they may forgo bidding, limiting the bidding pool.• This model may have an impact on the Long Term Financial Plan, less projects may come to fruition, costs may be higher than anticipated as well as delivery completion may be drawn out.	
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BILL 72, BUY ONTARIO ACT, 2025 – POLICY REQUIREMENTS & EVALUATION METHODOLOGY

Policy Development Consideration	Policy Proposal	County Implications	Summary of Response to the Province
	<p>An Evaluation Methodology would apply, such as:</p> <p>For low-dollar and medium value procurements:</p> <ul style="list-style-type: none"> • Vendors shall submit a Domestic Supply Chain Plan, and evaluate the bids as follows: <ul style="list-style-type: none"> a. The vendor offering the highest proportion of Ontario Made goods and Ontario Services in their Domestic Supply Chain Plan will receive: <ul style="list-style-type: none"> (i) For Price-Only Procurements: A 10% reduction in price (for evaluation purposes only); (ii) For Procurements with Rated Criteria: A 10% increase to the evaluation score. b. All other vendors will be evaluated without adjustment. <p>For high-dollar value procurements:</p> <ol style="list-style-type: none"> 1. Vendors shall submit a Domestic Supply Chain Plan 2. Evaluate bid as follows: <ul style="list-style-type: none"> a. Assign a maximum of 10% to the total evaluation score to the Domestic Supply Chain Plan b. Select the vendor whose Domestic Supply Chain Plan score is at least 50% higher than the top-ranked vendor, and (i) their bid price is within 10% and (ii) their construction schedule is no more than 10% longer. 	<p>Please Note the dollar thresholds have not been released.</p> <ul style="list-style-type: none"> • Adequate time will be required to pivot to these directives. • Staff will require more time for evaluating and checking on the vendors supplied information. • Training will be required. • Changes to the Purchasing Policy may be required. • Once staff are familiar with this new model, the time required may be slightly reduced, but may still be longer than current time frames. • Staff may not see as many projects come to fruition with the current staffing levels and possible newly added responsibilities. 	<ul style="list-style-type: none"> • A standardized scoring method would be preferred. • A more flexible approach should be permitted for more complex projects where there is specialized, more readily available products that would meet needs better. • Implementation time should extended to the 3rd quarter of 2026, as the construction season is fast approaching and to change direction will cause delays, confusion within the industry.

BILL 72, BUY ONTARIO ACT, 2025 – REPORTING REQUIREMENTS

Policy Development Consideration	Policy Proposal	County Implications	Summary of Response to the Province
<p>Public Sector entities would be required to comply with a request for information related to this policy, including but not limited to procurement data, awarded vendors’ domestic supply chain submissions, future covered procurements. A request may come from the Ministry of Public and Business Service Delivery and Procurement, Treasury Board Secretariat, the Ministry of Municipal Affairs and Housing, the entities’ oversight ministry or Supply Ontario. Information or data used may be published within the procurement outlook to help businesses plan and allocate their resources more effectively.</p>	<p>Public sector entities must prepare and provide information and data as requested by Ministry of Public and Business Service Delivery and Procurement (MPBSDP) or Supply Ontario.</p>	<ul style="list-style-type: none"> • The County will be required to develop a system to be able to provide this information, if this is the directive. • Current staff resources may no be adequate. Staff will require more time and have more administrative responsibilities. • Consultant services may go up to deal with the compliance of the products, and ensuring The County is compliant. 	<ul style="list-style-type: none"> • New systems and tools will be required to meet the reporting requirements. • The appropriate frequency of these requests would be annually.

BILL 72, BUY ONTARIO ACT, 2025 – FLEET POLICY

Made in Ontario Fleet Policy

Public sector entities must purchase or lease Made-in-Ontario Fleet Vehicles (referred to as “Tier 1”) when they acquire new light-duty passenger vehicles using an applicable procurement process. If a Tier 1 vehicle is not available, or it is not operationally feasible, entities are required to purchase or lease a new vehicle from an Ontario Vehicle Producer (referred to as “Tier 2”).

Where Tier 1 or Tier 2 vehicles are unavailable or it is not operationally feasible to purchase or lease, consideration of an alternative acquisition that prioritizes Ontario made goods may be acceptable.

Tier 1 Vehicles (with a 2 as the first digit of the VIN)

- Toyota** Rav4s and Rav4 Hybrids
- Chrysler** Caravans and Pacifica’s
- Chevrolet** Silverado Crew Cabs
- Honda** CRV, CRV hybrid, Civic Honda
- Lexus** RX, Lexus NX

Tier 2 - Vehicles from Ontario Vehicle Producers are Original Equipment Manufacturers (OEMs) that sell

- Vehicle lead times may increase with increased demand.
- Cost may escalate with increased demand.
- There may be lack of flexibility in choosing smaller vehicles.
- There is currently no opportunity to purchase electric vehicles.

- Lead times are already long for certain vehicles, restricting the Tier 1 vehicles may impact an already long process.
- Allowing an electric vehicle option may lead to a better environmental choice.
- With the vehicles on the Tier 1 and tier 2 list, will this add to cost increases as demand will escalate.

	<p>vehicles and would meet the proposed threshold of 1,500 annualized jobs across their Ontario footprint of active and/or planned fully and partially owned vehicle assembly and plants. (Ford, GM, Honda, Stellantis, Toyota, Volkswagen).</p> <p>**The Policy would not include specialty vehicles, such as ambulances, police cruisers, enforcement vehicles and emergency response vehicles or vehicles with a Gross Vehicle Weight Rating (GVWR) greater than 4,500 kg (this exclusion includes medium and heavy-duty trucks)</p>		
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