

THE CORPORATION OF THE TOWNSHIP OF NORTH STORMONT

BY-LAW NO. 38-2017

**Being a by-law to regulate the Procurement of Goods and Services
by the Corporation of the Township of North Stormont.**

WHEREAS Section 270(1) of the *Municipal Act, 2011*, provides that a municipality shall adopt policies with respect to its procurement of goods and services;

NOW THEREFORE the Council of the Corporation of the Township of North Stormont enacts as follows:

1. That the Council of the Corporation of the Township of North Stormont adopts the attached Procurement Policy for the procurement of goods and services by the Corporation of the Township of North Stormont.
- 1) That By-law 2005-05 is hereby repealed in its entirety and any other by-laws inconsistent herewith are hereby repealed.
2. That the Clerk of the Township of North Stormont is hereby authorized to make minor modifications or corrections of a grammatical or typographical nature to the By-Law and schedule, after the passage of this By-Law, where such modifications or corrections do not alter the intent of the by-law or its associated schedule
3. This By-Law shall come into force and take effect upon final reading thereof.

Read a first and second time this 23rd day of May 2017.

Read a third time and finally passed this 13th day of June 2017.

Original signed

Original signed

Dennis Fife,

Marc Chénier,

Mayor

CAO/Clerk

CORPORATION OF THE TOWNSHIP OF NORTH STORMONT

Procurement of Good and Services Policy

1) PURPOSES, GOALS AND OBJECTIVES OF THIS POLICY

The purposes, goals and objectives of this Policy and of each of the methods of Purchasing authorized herein are:

- (a) To encourage competitive bidding;
- (b) To ensure objectivity and integrity in the Purchasing process;
- (c) To ensure fairness between bidders;
- (d) To maximize savings for taxpayers;
- (e) To offer a variety of Purchasing methods, and to use the most appropriate method depending on the particular circumstances of the acquisition;
- (f) To the extent possible, to ensure openness, accountability and transparency while protecting the best interests of the Township and its taxpayers;
- (g) To obtain the best value for the Township when procuring Goods and/or Services;
- (h) To avoid real and perceived conflicts between the interests of the Township and those of the Township's employees and elected officials and to ensure compliance with the *Municipal Conflict of Interest Act*, R.S.O. 1990, c.M.5, as amended;
- (i) To promote, and incorporate wherever possible in Purchasing activities of the Township, the requirements of the *Ontarians with Disabilities Act, 2001*, S.O. 2001, c.32, as amended; and
- (j) To maintain timely and relevant policies and procedures, and to this end it is intended that this Policy be reviewed at least every five (5) years to evaluate its effectiveness in accordance with section 45 of this Policy.

2) DEFINITIONS

- (a) In this Policy:

"Award" means authorization to proceed with the purchase of Goods and/or Services from a chosen Supplier;

"Bid" means an offer or submission from a Supplier in response to a Bid Solicitation which is subject to acceptance or rejection by the Township;

"Bid Approval Report" means a completed Purchase Expenditure Authorization, or Council Report, which authorizes the purchase of Goods and/or Services and is executed by the Purchasing Authorities as set out in Schedule "C";

"Bid Deposit" means the form of security required by the terms and conditions of Bid Solicitations to guarantee that the successful Supplier enters into a Contract with the Township, as required by Section 26 of this Policy;

"Bid Solicitation" means a formal request for Bids including a Request for Informal Quotation, Request for Quotation, Request for Pre-Qualification, Request for Tender, Request for Proposal or Request for Expression of Interest;

"Budget" means the annual budget of the Township or portion of the annual budget approved by Council;

"Chief Administrative Officer" or "CAO" means the Chief Administrative Officer of the Township, his or her Designate or any successor position thereto;

"Clerk" means the Clerk of the Township or his or her Designate;

"Compliant Bid" means a Bid that meets the terms and conditions of the Bid Solicitation and this Policy;

"Conflict of Interest" means a situation where a personal, business or other interest of an elected or appointed official, officer or Employee of the Township is, or can be reasonably be perceived to be, in conflict with the interests of the Township, and includes , but is not limited to:

- (i) The giving or receiving of a direct or indirect personal gain or benefit, or a direct or indirect advantage or privilege, by any person or business that offers Goods and/or Services to the Township;
- (ii) A direct or indirect pecuniary interest in any business that provides Goods and/or Services to the Township;
- (iii) A direct or indirect pecuniary interest to which section 5 of the *Municipal Conflict of Interest Act* applies;

"Construction" means a construction, reconstruction, demolition, repair or renovation of a building, structure or other engineering or architectural work and includes site preparation, excavation, drilling, soil or seismic investigation, the supply of products and materials and the supply of equipment and machinery incidental to the construction, and the installation and repair of fixtures of a building, structure or other engineering or architectural work;

"Contract" means a binding agreement between two or more parties that creates an obligation to provide goods or perform services;

"Corporation" means the Corporation of the Township of North Stormont;

"Council" means the Council of The Corporation of the Township of North Stormont;

"Department/Services" means any Department of the Township including any division within a Department;

"Department Heads" means a position authorized in writing by the CAO to purchase Goods and/or Services up to the value of their prescribed signing authority and for which written authorization must be filed with the Director of Finance;

"Designate" means a person authorized in writing to act on behalf of another during his or her absence, which written authorization has been filed with the Director of Finance;

"Director" means the director of a service within a Department, his or her Designate or any successor position thereto;

"Director of Finance" means the Director of Finance of the Township, his or her Designate or any successor position thereto;

"Disability" or "Disabilities" shall have the same meaning as set out in the *Ontarians with Disabilities Act, 2001*, or any successor legislation thereto;

"Disposal" means the selling, trading, assignment and/or scrapping of surplus assets;

"Employee" means full-time, part-time, student, temporary, contractual employee of the Township and shall include members of the fire department;

"Fair Market Value" means the price that would be agreed to in an open and unrestricted market between knowledgeable and willing parties dealing at arm's length who are fully informed and not under any compulsion to transact;

"Formal Bid Process" means the process for receipt of Bids, as outlined in Section 24;

"Goods" means, in relation to procurement, moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property), including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract;

"Immediate family" means the spouse, common-law spouse, father, mother, brother, sister, son, daughter, stepbrother, stepsister, stepson, stepdaughter and grandchildren of a Council member or Employee of the Township;

"In House Bid" means a Bid made by one or more Employees of the Township, which process has been authorized by Council, submitted in response to a Bid Solicitation, where the provision of the Goods and/or Services will be provided by the Employees of the Township;

"Lowest Compliant Bid" means the Compliant Bid that would provide the Township with the desired Goods and/or Services at the lowest cost;

"Negotiation" means a purchasing method whereby the Township may negotiate directly with one or more Suppliers with the intent to award a Contract or extend an existing Contract;

"Professional Services" means those services requiring the skills of professionals for a defined service requirement including:

- (i) Architects, engineers, designers, surveyors, geoscientists, project managers, financial consultants, auditors, accountants, and professionals such as doctors, dentists and lawyers;
- (ii) Firms or individuals having specialized competence in environmental, planning or similar disciplines; and,
- (iii) Software consultants and any other persons providing similar services;

"Purchase" means to acquire Goods and/or Services by purchase, rental, lease or trade;

"Purchase Order" means a written confirmation of the purchase of Goods and/or Services at a specific cost;

"Purchasing" means the process for obtaining Goods and/or Services;

"Purchasing Department" means the department responsible for the purchase of Goods or Services in accordance with this Policy;

"Quotation" means a binding statement of price, terms of sale and description of Goods and/or Services offered by a Supplier;

"Request for Expression of Interest" or "RFEOI" means a public request made by the Township seeking responses from potential Suppliers for the purposes of compiling a list of Suppliers who may be interested in providing Goods and/or Services to the Township from time to time. Receipt of an expression of interest by the Township does not create any obligation between the potential Supplier and the Township, but may be a precondition to qualifying for subsequent Bid Solicitations issued by the Township;

"Request for Informal Quotation" or "RFIQ" means a limited public request by the Township seeking submissions from a specific number of Suppliers for purchases greater than \$10,000 and not exceeding \$25,000;

"Request for Pre-Qualification" or "RFPQ" means a public request by the Township seeking submissions outlining the experience, financial strength, education, background and significant personnel of potential Suppliers who may, from time to time, qualify to supply Goods and/or Services to the Township;

"Request for Proposal" or "RFP" means a public request for proposals by the Township made in accordance with section 16 of this Policy, seeking proposals to supply Goods and/or Services which may or may not result in an Award by the Township;

"Request for Quotation" or "RFQ" means a request for Quotations by the Township for the provision of Goods and/or Services made in accordance with sections 13 and section 14 of this Policy;

"Request for Tender" or "RFT" means a public request for Tenders by the Township made in accordance with section 15 of this Policy;

"Services" means intangible products that do not have a physical presence and includes Professional Services. No transfer of possession or ownership takes place when services are sold;

"Single Source" means the non-competitive procurement process to acquire Goods and/or Services from a specific supplier even though there may be more than one Supplier capable of delivery of the same Goods and/or Services;

"Sole Source" means there is only one source of the Goods and/or Services that meets the requirements of the Township;

"Special Circumstance" means:

- (i) An event that is exceptional or could not be foreseen and is likely to pose a threat to the health, safety or welfare of the public;
- (ii) An event that, unless immediately addressed, is likely to cause significant loss or damage to property; or
- (iii) An event that has disrupted any essential service that needs to be re-established without delay.

"Specialized Services" means those services requiring the skills of trades including, but not limited to electrical, mechanical, drywall, painting, HVAC, roofing, plumbing, electronics, and insulation;

"Standing Offer" means an offer from a Supplier that allows the Township to purchase goods and/or services, or a combination of goods and services, as and when requested, during a specific period of time, through the use of a call-up process which incorporates the conditions and pricing of the standing offer;

"Substantive Objection" means a written objection provided to Purchasing Services from a Supplier with respect to a Bid Solicitation giving specific reasons for the objection;

"Supplier" means any individual or organization offering Goods and/or Services including but not limited to contractors, consultants, vendors and service organizations;

"Tender" means a written detailed offer from a Supplier to supply Goods and/or Services to the Township;

"Two Envelope Method" means a Bid submitted in response to a Request for Proposal which requires the submission in separate bid envelopes, where the Bid is evaluated as outlined in Subsection 15(f).

- (b) Schedules "A", "B", "C" and "D" attached hereto form part of this Policy.

3) APPLICATION

- (a) The policies and procedures outlined herein, including all of the purposes, goals and objectives of section 1 hereof, shall be followed for the Purchase of all Goods and/or Services by the Township or any of its officers, servants and Employees;
- (b) The methods of purchasing set out in sections 9 to 21, and the reporting procedures set out in section 26, shall not apply to the purchase of those Goods and Services outlined in Schedule "A". This provision provides authority for the purchase of Goods and Services outlined in Schedule "A" as long as the funding is available in the Budget;
- (c) Any Contracts necessary to complete the purchase of Goods and/or Services outlined in Schedule "A" shall be signed by the CAO or the appropriate signing authority as set out in the Township's delegation of authority by-law;
- (d) Purchases of Goods and Services outlined in Schedule "A" herein may be made only when:
 - (i) The Contract (if applicable) has been prepared in a form satisfactory to the Department Head and/or Chief Administrative Officer;
 - (ii) Any financial securities and insurance required under the Contract are satisfactory to the Director of Finance; and
 - (iii) Funding is available in the Budget for the Purchase.

4) RESPONSIBILITIES AND AUTHORITIES

The Director of Finance shall have all the necessary authority to administer this Policy and to carry out his or her duties on behalf of the Township.

- (a) The Director of Finance is responsible to and shall have the authority to
 - (i) Acquire or dispose of Goods and/or Services;
 - (ii) Call, receive, open and review Bids;
 - (iii) Establish administrative procedures and policies for the implementation of this Policy;
 - (iv) Establish, through consultation with the Chief Administrative Officer, standards for Bid Solicitations, Purchase Orders, Contracts and other documents;

- (v) Establish, through consultation with the user Department and Chief Administrative Officer, the terms and conditions of Bid Solicitations;
 - (vi) Provide guidelines on procurement policies and procedures and the structure, format and general content of Bid Solicitations;
 - (vii) Review proposed Bid Solicitations to ensure clarity, reasonableness and quality and advise staff of suggested improvements;
 - (viii) Ensure open, fair and impartial Purchasing processes for Goods and/or Services;
 - (ix) Ensure compliance with this Policy and advise the Chief Administrative Officer when there has been non-compliance. The Chief Administrative Officer shall take appropriate action to address and correct any non-compliance;
 - (x) Develop co-operative purchasing plans with other units of government or their agencies or public authorities, where deemed beneficial to the Township;
 - (xi) Ensure annual review of purchasing authority delegation;
 - (xii) Promote the standardization of Goods and/or Services, where such standardization demonstrably supports the purposes, goals and objectives of this Policy; and
 - (xiii) Carry out any other delegated authorities that are not part of this list and prescribed in this Policy.
- (b) Resolutions approving Budget amendments, capital expenditures or special appropriations shall specify the purpose of the expenditure, cost estimates or expenditure limitation, and shall specify from which fund an appropriation has been provided. All Department Head reports recommending such resolutions shall contain the Chief Administrative Officer's endorsement;
- (c) The Chief Administrative Officer has the authority to instruct the Department Head not to award a Contract and may direct staff to submit recommendations to Council for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interests of the Township;
- (d) Notwithstanding delegated Purchasing Authorities as per Schedule "C", Council may direct the CAO, prior to issuance of the RFQ, Request for Tender or Request for Proposals, to submit a recommendation of selected supplier to Council for approval when such action is considered necessary and in the best interests of the Township;

- (e) The Department Head will also have the following specific responsibilities:
 - (i) Approval of accounts within the approved Budget for such department or any amendment to same as approved by Council;
 - (ii) As unspecified capital expenditures in the annual Budget require prior Council approval by resolution, the Department Head shall prepare a report recommending such resolution and/or Policy containing the Chief Administrative Officer's endorsement;
 - (iii) Where appropriate and in the best interests of the Township, make purchases of Goods and Services locally when the quality and price of the merchandise compare favorably with other suppliers outside of the Township, excluding Tenders and the RFP process; and
 - (iv) With the written approval of the Chief Administrative Officer and /or Director of Finance, may delegate to an Employee or Employees, all or part of his authority/responsibility, which authority may be limited to a particular type of purchase of Goods and/or Services. A copy of the appointment must be forwarded to the Director of Finance;

- (f) The Department Head or their Designate will also have the following specific responsibilities:
 - (i) Ensuring that all Contract terms and conditions comply with the Bid Solicitation;
 - (ii) Preparing and approving all specifications and terms of reference;
 - (iii) Managing Contracts to ensure Goods and/or Services are received by the Township and comply with Contract terms and conditions;
 - (iv) Monitoring all Contract expenditures and ensuring that all financial limitations have been complied with and that all accounts are paid within the times set out in the Contract;
 - (v) Monitoring the performance of Suppliers;
 - (vi) Standardizing the use of Goods and/or Services, where such standardization demonstrably supports the purposes, goals and objectives of this Policy; and
 - (vii) Ensuring that all Goods and/or Services purchased have been received and recording receipt in the form prescribed by the Department Head.

5) REQUIREMENT FOR APPROVED FUNDS

- (a) The exercise of authority to award a Contract is subject to the identification and availability of sufficient funds in appropriate accounts within the Budget.

- (b) Where Goods and/or Services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a Contract is subject to the following:
 - (i) The identification and availability of sufficient funds in appropriate accounts for the current year within the Budget;
 - (ii) Where the Goods and/or Services will continue to be required in subsequent years, in the opinion of the Director of Finance, the required funding can reasonably be expected to be made available; and
 - (iii) The Contract includes a provision that the supply of Goods and/or Services in subsequent years is subject to the approval by Council of the Budget estimates to meet the proposed expenditures.

6) ADVERTISING OF PURCHASING OPPORTUNITIES

- (a) Subject to subsection b) below, Purchases exceeding \$100,000 for Goods and/or Services and \$250,000 for Construction shall, as a minimum, be advertised:
 - (i) On the website for the Township and/or a website authorized by the Director of Finance for posting bid calls, from the date that the Bid Solicitation is issued up to and including the date on which the Bid Solicitation closes; and/or
 - (ii) One time, at least fourteen (14) calendar days before the Bid Solicitation closes, in a local newspaper that has a weekly circulation within the Township.
- (b) Any person authorized by this By-law to commence a Purchase process, may direct that the advertising period as set out above be reduced where it is determined to be in the best interests of the Township;
- (c) No advertising is required for Purchases where bidders have been previously pre-qualified in accordance with this Policy; and
- (d) Advertising is not required for services that may be provided only by any of the following licensed professionals: engineers, land surveyors, architects, laboratory professionals, accountants, lawyers and paralegals.

7) PURCHASING DOCUMENTATION

- (a) A Bid Solicitation may specify a specific product or brand name to ensure consistency, to minimize risk to the Township, or for other valid purposes;
- (b) All changes to the standard Bid Solicitation template and related documents shall be reviewed and approved by the CAO and/or the Township's solicitor as authorized by the CAO; and
- (c) Before issuance, all Bid Solicitations shall be reviewed by the Director of Finance and/or the Township's solicitor as directed by the CAO.

8) METHODS OF PURCHASING

- (a) The estimated expenditure value (excluding taxes) of the Goods and/or Services will be determined using one of the methods of purchasing set out in sections 9 to 21 of this Policy. Should the quoted or Bid price exceed the original estimated value of the Purchase, such Purchase is to be reported back to Council for final decision;
- (b) Any authorized person procuring Goods and/or Services on behalf of the Township shall do so using one of the following methods of Purchasing set out in sections 9 to 21 ("Methods of Purchasing"). The methods may be utilized individually or in combination with one another, as may be appropriate in the circumstances; and
- (c) All Methods of Purchasing, except for the exemptions in Schedule "A" and low value purchases shall be conducted through or reviewed by the Purchasing Department.

9) REQUEST FOR PRE-QUALIFICATION OF ACCEPTABLE SUPPLIERS

- (a) A Department Head may conduct a Request for Pre-Qualification to develop a list of Suppliers that may be eligible to submit a Bid on subsequent Bid Solicitations or to develop a roster in accordance with section 23;
- (b) Pre-qualification may be considered in the following circumstances:
 - (i) The work will require substantial project management by the Township and could result in substantial cost to the Township if the Supplier is not appropriately experienced;
 - (ii) The Goods and/or Services to be purchased must meet national safety standards;
 - (iii) The work involves complex, multi-disciplinary activities, specialized expertise, equipment, materials or financial requirements;
 - (iv) The work involves miscellaneous repairs and services as required by the Township such as plumbers, electricians, mechanics, and drywall contractors and any other such types of professional tradesmanship;
 - (v) There could be substantial impact on the Township's operations if the work is not satisfactorily performed the first time; or
 - (vi) Any other circumstances deemed appropriate by the CAO or Council in its sole and unfettered discretion.
- (c) Where deemed to be appropriate, an RFPQ shall be provided to the potential Suppliers setting out the criteria for pre-qualification which may include, but are not limited to:
 - (i) Experience on similar work (firm and staff assigned);

- (ii) References provided from other customers for similar work;
 - (iii) Verification of applicable licences and certificates;
 - (iv) Health and safety policies and staff training; and
 - (v) Financial capability.
- (d) Supplier submissions will be evaluated and ranked and a short list of pre-qualified Suppliers will be invited to participate in the second step of the two-step Purchasing process, being a Request for Proposal or a Request for Tender;
 - (e) Following an RFPQ, the list of pre-qualified Suppliers is to be approved by the Chief Administrative Officer or Director of Finance;
 - (f) An RFPQ is not a legal offer but only an invitation for Suppliers to make submissions to be considered to be a pre-qualified Supplier; and
 - (g) All RFPQ's shall be conducted in accordance with submission instructions in the Bid Solicitation and section 6 of this Policy.

10) REQUEST FOR EXPRESSIONS OF INTEREST

The Department Head and/or Director of Finance may conduct a Request for Expression of Interest for the purpose of determining the availability of Suppliers and for the purpose of compiling a list of Suppliers and may be used as a specific pre-condition of any Method of Purchasing utilized by the Township. The receipt of an expression of interest by the Township does not create any obligation between the potential Supplier and the Township.

11) PETTY CASH

Each department of the Township is authorized to Purchase Goods and/or Services of small value by way of a petty cash fund. Petty cash applies to expenditures of \$300 or less from suppliers that do not hold an account under the Township's name. Employees are not required to complete the Declaration of Interest form attached as Schedule "D".

12) LOW VALUE PURCHASES (UP TO \$10,000 EXCLUDING TAXES)

Department Heads are authorized to procure Goods and/or Services up to a total value of \$10,000, excluding taxes. Only Purchases that can be demonstrated to have been made at Fair Market Value shall be made. At least two (2) written Quotations should be solicited where reasonably available, analyzed and the results tabulated by the Department Head. Quotations received shall be evaluated on price and the criteria outlined in the Quotation request to determine the preferred Supplier. Department Heads may procure Goods and/or Services through the following means:

- (a) Purchase Order to the Supplier; or
- (b) Direct invoice from the Supplier approved and signed by the Department Head or Designate with authority to approve the Purchase.

Employees shall complete the Declaration of Interest form attached as Schedule "D" when procuring Goods and/or Services up to a total value of \$10,000, excluding taxes.

13) REQUEST FOR INFORMAL QUOTATIONS (RFIQ) (PURCHASES GREATER THAN \$10,000 AND NOT EXCEEDING \$25,000 EXCLUDING TAXES)

- (a) For Purchases with a total value greater than \$10,000 and not exceeding \$25,000, excluding taxes, an informal Quotation method shall be utilized. If possible, at least three (3) written Quotations shall be solicited, analyzed and the results tabulated by the Department Head. Quotations received shall be evaluated on price and the criteria outlined in the quotation request to determine the preferred Supplier;
- (b) The Purchase requisition shall be prepared by the Department Head, for signature and approval in accordance with the Purchasing Authorities set out in Schedule "C";
- (c) The Department Head shall issue a Purchase Order when it has received all approvals and documents required by the Request for Informal Quotation and Subsection 13(a) of this Policy;
- (d) The Purchasing Department shall request the approval of the Director of Finance and/or the CAO if three (3) Quotations are not obtained and
- (e) Employees shall complete the Declaration of Interest form attached as Schedule "D" when submitting an informal quotation.

14) REQUEST FOR QUOTATIONS (FORMAL) (PURCHASES GREATER THAN \$25,000 AND NOT EXCEEDING \$100,000 EXCLUDING TAXES)

- (a) For Purchases with a total value greater than \$25,000 and not exceeding \$100,000 excluding taxes, a Request for Quotation may be used to Purchase and shall be issued by the Department Head;
- (b) The Department Head shall gather the relevant information such as specifications, provisions, plans and supplemental general conditions for the Purchase;
- (c) The Department Head may conduct the Bid Solicitation using a list of Suppliers compiled by the Department Head and Finance Department;
- (d) At least two (2) Quotations shall be solicited by the Department Head, analyzed, and the results tabulated;
- (e) All RFQ's shall be conducted by the Department Head in accordance with Section 24;
- (f) Any Bid irregularities shall be dealt with in accordance with Schedule "B";
- (g) Bids received shall be analyzed and evaluated by the Department Head and/or Clerk using the criteria outlined in the Bid Solicitation and this Policy;

- (h) Where an award is recommended, the Bid Approval Report will be prepared by the Department Head, for signature and approval in accordance with the Purchasing Authorities set out in Schedule "C"; and
- (i) Employees shall complete the Declaration of Interest form attached as Schedule "D" when submitting a formal quotation.

15) REQUEST FOR TENDERS (PURCHASES GREATER THAN \$100,000 EXCLUDING TAXES)

- (a) For Purchases with a total value greater than \$100,000, excluding taxes, a Request for Tender may be issued through the Department Head provided that all of the following conditions apply:
 - (i) Two (2) or more sources are considered capable of supplying the Goods and/or Services;
 - (ii) The Goods and/or Services are adequately defined to permit the evaluation of Tenders against clearly defined criteria; and
 - (iii) It is intended that the Lowest Compliant Bid will be accepted, subject to the Township's discretion as contained within the Request for Tender.
- (b) All RFT's shall be conducted in accordance with Section 24;
- (c) The Department Head shall gather the relevant information such as specifications, provisions, plans and supplemental general conditions for the Purchase;
- (d) All RFT's shall be advertised in accordance with Section 6 except where a list of pre-qualified Suppliers has been compiled in accordance with Section 9;
- (e) Where an RFPQ has previously been conducted, only pre-qualified Suppliers shall be notified and Bids shall only be accepted from pre-qualified Suppliers;
- (f) Any Bid irregularities shall be dealt with in accordance with Schedule "B";
- (g) Bids received shall be analyzed and evaluated by the Department Head and/or Clerk using the criteria outlined in the Bid Solicitation and this Policy;
- (h) The Bid Approval Report shall be prepared in accordance with Section 26.
- (i) All Purchases shall be authorized in accordance with the Purchasing Authorities set out in Schedule "C" and all Contracts shall be signed in accordance with the Bid Solicitation documents or as otherwise set out in the Township's delegation of authority Policy; and
- (j) Employees shall complete the Declaration of Interest form attached as Schedule "D" when submitting a Bid.

16) REQUEST FOR PROPOSALS (PURCHASES GREATER THAN \$10,000 EXCLUDING TAXES)

- (a) A Request for Proposal shall be issued by the Department Head where the method of Purchasing meets one or more of the following criteria:
 - (i) The Purchase is required as a result of a particular problem, requirement or objective;
 - (ii) The selection of the Supplier depends more upon the effectiveness of the proposed solution, rather than the price alone; and/or
 - (iii) The precise Goods and/or Services, or the specifications therefor, are not known or are not definable and it is expected that Suppliers will further define them;
- (b) The Department Head shall conduct the RFP;
- (c) RFPs may require Suppliers to submit a Bid in two (2) sealed envelopes (Two Envelope Method). The first envelope will contain the form of proposal and corporate and key personnel qualifications, methodology, Schedule and any other technical requirements of the Bid Solicitation. The second envelope will contain the proposed fee for the services, and will only be opened once the qualitative analysis has been completed. All Bids will be evaluated based on the evaluation criteria outlined in the Bid Solicitation by an evaluation team;
- (d) RFPs shall be conducted by Department Head in accordance with Section 24;
- (e) RFPs shall be advertised in accordance with Section 6, except where a list of pre-qualified Suppliers has been compiled in accordance with Section 9;
- (f) Any Bid irregularities shall be dealt with in accordance with Schedule "B";
- (g) Bids received shall be analyzed and evaluated by the Department Head and/or Clerk using the criteria outlined in the Bid Solicitation and this Policy;
- (h) The Bid Approval Report shall be prepared in accordance with Section 26;
- (i) All Purchases shall be authorized in accordance with the Purchasing Authorities set out in Schedule "C" and all contracts shall be signed in accordance with the Bid Solicitation documents or the Township's delegation of authority Policy; and
- (j) Employees shall complete the Declaration of Interest form attached as Schedule "D" when submitting a Bid.

17) STANDING OFFERS

- (a) The purpose of a Standing Offer is to facilitate the purchase of Goods and Services to be supplied on an ongoing basis at a predetermined amount over a defined period;

- (b) The Department Head may establish Standing Offers using the applicable bid mechanism based upon the estimated annual expenditure. Standing Offers may also be coordinated and issued by the Finance Department for all Township departments as applicable;
- (c) Standing Offer terms shall not exceed 36 months period from the date of the Standing Offer approval; and
- (d) Employees shall complete the Declaration of Interest form attached as Schedule "D" when submitting a Bid for a Standing Offer.

18) PURCHASE OF USED EQUIPMENT

Providing that such expenditures have been approved in the Budget process, the Department Head or Purchasing Designate is authorized to Purchase used equipment that is sold by other municipalities by private sale or public auction; sold through a vendor licensed to sell used equipment; by sealed Bid; or by negotiation providing that:

- (a) The equipment meets or exceeds the departmental equipment requirements;
- (b) It is documented that it is fiscally responsible to purchase a used piece of equipment rather than Purchase new;
- (c) If the total expenditure per piece of equipment exceeds \$50,000.00, a report will be forwarded to the Chief Administrative Officer detailing Purchase information and expenses; and
- (d) The Department Head or Designate is exempt from the Township's formal quotation/tender/RFP process when purchasing used equipment in accordance with this Section.

19) SPECIAL CIRCUMSTANCE PURCHASES

- (a) In cases of Special Circumstance, as determined by the operator in charge (in the case of water and waste water), Department Head or the Chief Administrative Officer, the Purchase of Goods and Services may be authorized in accordance with this section and Schedule "C".
- (b) All such purchases must be reported to the CAO and/or the Director of Finance on the following business day. A report shall be submitted to Council by the Department Head or the Chief Administrative Officer, as soon as reasonably possible, setting out details of any Purchases made pursuant to this authority and the circumstances justifying the action taken;
- (c) Contracts required to effect Special Circumstances Purchases shall be signed by the CAO or as otherwise set out in the Township's delegation of authority policy; and
- (d) Employees shall complete the Declaration of Interest form attached as Schedule "D" when submitting a Bid for a Special Circumstance Purchase.

20) CO-OPERATIVE PURCHASING

The Chief Administrative Officer may enter into arrangements with any government body, ministry, agency, board, Township or authority on a co-operative or joint basis for purchases of Goods and/or Services where there are economic advantages in so doing and such Purchases comply with this Policy.

21) SINGLE SOURCE PURCHASES

- (a) Bid Solicitations are not required for Single Source Purchases, provided that any of the following conditions apply:
 - (i) A Sole Source is being recommended by the Department Head;
 - (ii) The compatibility of a Purchase with existing equipment, product standards, facilities or service is a paramount consideration;
 - (iii) A Good is purchased for testing or trial use;
 - (iv) There is an absence of competition for technical reasons and the Goods and/or Services can only be supplied by a particular Supplier;
 - (v) An unforeseeable situation of urgency exists and the Goods and/or Services cannot be obtained in time by means of open procurement procedures;
 - (vi) The Township has a rental contract with a purchase option and such purchase option is beneficial to the Township;
 - (vii) For matters involving security, police matters or confidential issues, in which case a purchase may be made in a manner that protects the confidentiality of the Supplier or the Township;
 - (viii) There are no Bids in response to a Bid Solicitation; and
 - (ix) A roster for Professional Services has been developed in accordance with section 23 of this Policy.
- (b) The Bid Approval Report shall be prepared in accordance with Section 26;
- (c) All Single Source Purchases of a value below \$25,000 and included in the budget shall be authorized by the CAO and otherwise, all other Single Source Purchases shall be authorized by Council and all Contracts shall be signed in accordance with the Bid Solicitation documents or as authorized in the Township's delegation of authority Policy;
- (d) Employees shall complete the Declaration of Interest form attached as Schedule "D" when submitting a Bid for a Single Source Purchase.

22) NEGOTIATION

- (a) Notwithstanding that Negotiation may be a component of another procurement process, Negotiation may be used for Purchases of Goods and/or Services when any of the following criteria apply:
 - (i) The required Goods and/or Services are in short supply;
 - (ii) Competition is precluded due to the existence of any patent right, copyright, technical secret or control of raw material;
 - (iii) A Sole Source has been approved;
 - (iv) Two (2) or more identical Bids are received;
 - (v) The Lowest Compliant Bid received meeting all specifications exceeds the Budget amount;
 - (vi) The extension of an existing Contract would be more effective;
 - (vii) Only one (1) Bid is received in response to a Bid Solicitation;
 - (viii) The Bid Solicitation process has been cancelled without Award;
 - (ix) A roster for Professional Services has been developed in accordance with section 23 of this Policy; and
 - (x) There is Council authorization to do so.
- (b) The Bid Approval Report shall be prepared in accordance with section 26;
- (c) All Purchases shall be authorized in accordance with the Purchasing Authorities set out in Schedule "C" and all Contracts shall be signed as set out in the Bid Solicitation documents or as otherwise set out in the Township's Delegation of Authority Policy

23) ROSTER FOR PROFESSIONAL OR SPECIALIZED SERVICES

- (a) An RFPQ or an RFEOI may be conducted for the purpose of developing a roster of qualified Suppliers of Professional Services or Specialized Services for groups of projects requiring similar and particular expertise. While the use of a roster is strictly optional, the associated RFPQ or RFEOI shall be conducted in accordance with the provisions of this Policy;
- (b) The Department Head shall provide to the Director of Finance the relevant information regarding the Professional Services and required expertise;
- (c) The Department Head will prepare the RFPQ or RFEOI, inviting interested Suppliers to submit Bids outlining, among other things, their qualifications, availability, recent project experience, key personnel and roles, and sufficient references for work of a similar nature;

- (d) An evaluation team consisting of members of the requesting Department and the Director of Finance shall analyze and evaluate the responses received using the criteria outlined in the RFPQ or RFEOI to select a number of qualified Suppliers of Professional or Specialized Services which shall be placed on a roster;
- (e) On subsequent projects, Suppliers of Professional Services or Specialized Services may be selected from the roster to submit detailed proposals in response to a Bid Solicitation, in accordance with sections 11 through 15 of this Policy. The requesting Department shall invite Suppliers on the roster to provide Services, using best efforts to equally distribute opportunities amongst the Suppliers on the roster;
- (f) Alternatively, a Supplier may be selected from the roster to submit a Bid for Professional Services or Specialized Services in accordance with section 21 or 22 of this Policy; and
- (g) Rosters shall be updated at least once every three (3) years.

24) FORMAL BID PROCESS

- (a) All Bids (with the exception of submissions in response to Requests for Pre-Qualification) shall be received by the Clerk or otherwise in accordance with the instructions in the Bid Solicitation, and opened in public at the time and place stated in the Bid Solicitation unless specified otherwise in the Bid Solicitation documents;
- (b) All prospective bidders shall be supplied with one copy of the official Bid Solicitation document, and a set of plans and/or specifications as applicable. A complete list of prospective bidders, including address, phone and fax numbers is to be maintained to facilitate the distribution of potential written addenda;
- (c) The opening of all Bids shall be attended by the Clerk and either Department Head and/or Director of Finance;
- (d) Closing times for sealed Bids will be determined by the Purchasing Department, at the designated location;
- (e) A bidder who has already submitted a Bid may submit a further Bid at any time up to the official closing time. The last Bid received will supersede and invalidate all Bids previously received by that bidder. Only one Bid from a firm, partnership, Township or association will be considered;
- (f) A bidder may withdraw his Bid at any time up to the official closing time by letter bearing his signature;
- (g) The bid form shall also provide an area to provide for the bidder's signature, company name, company address, telephone number, fax number and e-mail address;
- (h) Bids received which comply with this Policy shall be opened and the Suppliers name and the Bid amount(s) shall be read aloud and recorded. When the Bid

Solicitation is for registration purposes, only the Supplier's name will be read aloud and recorded;

- (i) When only one (1) Bid is received, only the Supplier's name shall be read aloud. The Bid amount shall not be read aloud; and
- (j) Bid Irregularities shall be administered in accordance with Schedule "B".

25) DISQUALIFICATION OF A SUPPLIER/BIDDER

Notwithstanding other provisions in this Policy where the following disqualification criteria apply, the Township may, in its sole discretion, disqualify a Supplier from bidding on any Bid Solicitation or reject a Bid if a Supplier:

- (a) Has, at any time, threatened, commenced or engaged in legal claims or litigation against the Township;
- (b) Is involved in a claim or litigation initiated by the Township;
- (c) Previously provided Goods and/or Services to the Township in an unsatisfactory manner;
- (d) Has failed to satisfy an outstanding debt to the Township;
- (e) Has a history of illegitimate, frivolous, unreasonable or invalid claims;
- (f) Provides incomplete, unrepresentative or unsatisfactory references; or
- (g) Has engaged in conduct that leads the Township to determine that it would not be in the Township's best interests to accept the Bid.

26) REPORTING PROCEDURES

- (a) Prior to any Award, a Bid Approval Report shall be prepared by the Purchasing Department, signed and authorized in accordance with the Purchasing Authorities set out in Schedule "C"; and
- (b) The Director of Finance shall submit quarterly reports listing all Purchases Goods and Services through Bid Solicitations in excess of \$25,000 for information to Council, with an alphabetical listing of Suppliers, total award, amount budgeted and description of Goods and Services.

27) PRESCRIBED COUNCIL APPROVAL

Notwithstanding any other provision of this Policy, the following Awards require Council approval:

- (a) The recommended Award exceeds the amount budgeted for the Purchase;
- (b) The authority to Award has not been expressly delegated to staff of the Township; and

- (c) The recommended Award is not the Lowest Compliant Bid.

28) DOCUMENT EXECUTION AUTHORITY

Employees or officers of the Township identified in the Bid Solicitation documents, this Policy or the Township's delegation of authority Policy shall have the authority to execute Contracts and all other documents necessary to effect the Award or purchase of Goods and/or Services, up to the prescribed limits, provided that the documents have been prepared in a satisfactory form.

29) FINANCIAL SECURITIES AND INSURANCE

(A) BID DEPOSITS

- (i) Bid Deposits shall be required to accompany Bid submissions for all Bids for municipal Construction projects with an estimated value of more than \$50,000.00, excluding taxes, and for any other contract, scope of work or Purchase as deemed appropriate by the Department Head;
- (ii) Bid Deposits for expenditures of \$50,000 up to \$99,999 shall be no less than 2% of the estimated value of the work before bidding or an amount equal to a minimum of 2% of the bid submitted;
- (iii) Bid Deposits for expenditures of \$100,000 up to \$199,999 shall be no less than 5% of the estimated value of the work before bidding or an amount equal to a minimum of 5% of the bid submitted;
- (iv) Bid Deposits for expenditures of \$200,000 or more shall be no less than 10% of the estimated value of the work before bidding or an amount equal to a minimum of 10% of the bid submitted;
- (v) A Bid Deposit shall be provided in one of the following formats:
- A bid or agreement bond issued by a bonding agency currently licensed to operate in the Province of Ontario naming the Township as the obligee;
 - A certified check made payable to the Township;
 - An irrevocable letter of credit naming the Township as the beneficiary;
 - Bank draft or money order made payable to the Township.
- (vi) A bid deposit shall be provided in Canadian currency;
- (vii) The Township does not pay interest on any Bid Deposits;
- (viii) All Bid Deposits must be originals, signed and sealed. No fax or photocopies will be accepted; and

- (ix) The Township is authorized to cash and deposit any Bid Deposit in the Township's possession that is forfeited as a result of non-compliance with any of the terms, conditions and/or specifications of a sealed bid.

(B) BONDING REQUIREMENTS

- (i) Performance, Labour and Material and/or Maintenance Bonds are required for all Construction projects exceeding \$100,000.00 for a minimum of 50% of the Bid amount;
- (ii) All bonds must be originals, signed and sealed. No fax or photocopies will be accepted; and
- (iii) A periodic renewable performance bond may be requested for any multi-year contracts.

(C) INSURANCE

The Purchasing Department shall ensure to identify on Bid document, RFT, FRP of the minimum insurance standards and or coverages required. Any selected insurance coverage must meet or exceed the following minimum requirements:

- (i) \$2 million – general liability policy;
- (ii) \$2 million – automobile liability policy;
- (iii) \$2 million – homeowners (e.g. rental of facilities);
- (iv) \$5 million – general liability and automobile liability policies – contract work done for most Public Works and Utilities Department projects;
- (v) \$2 million – professional errors and omissions liability; and
- (vi) Builder's Risk – amount of project cost.

The successful bidder must furnish, at his/her cost, a "certified copy" of a liability insurance policy covering public liability and property damage, for no less than the minimum amounts set out above, to the satisfaction of the Township and in force for the entire Contract period. The policy must contain:

- A "Cross Liability" clause or endorsement;
- An endorsement certifying that the Township and the successful bidder are included as an additional named insured; and
- An endorsement to the effect that the policy or policies will not be altered.

Contractor's Liability Insurance Policy shall not contain any exclusions of liability for damage, etc. to property, building or land arising from:

- (i) Removal or weakening of support of any property, building or land whether such support is natural or otherwise;
- (ii) Use of explosives for blasting; and
- (iii) Vibration from pile driving or caisson work, if minimum coverage for any such loss or damage shall be \$5,000,000.00.

Successful bidder must furnish to the Township a current WSIB certificate, as specified in the Bid Solicitation documents.

Failure to comply with all terms and conditions of a Bid Solicitation, including failure to provide proof of insurance and financial securities as required, shall be just cause for cancellation of the Award.

30) BID IRREGULARITIES

The process for evaluating irregularities contained in Bids pertaining to all Bid Solicitations shall include the use of the criteria set out in Schedule "B". However, the evaluation of bid irregularities is not limited to the criteria set out in Schedule "B" and shall include such matters as Council deems appropriate in its sole and absolute discretion.

31) FORM OF CONTRACT

- (a) An Award may require a formal written agreement or a Purchase Order;
- (b) A Purchase Order may be used when the resulting Contract is deemed straightforward, in the opinion of the Department Head, in consultation with the Director of Finance, and will refer to the Township's standard terms and conditions outlined in the Bid Solicitation;
- (c) A formal written agreement satisfactory to the CAO shall be used when the resulting Contract is deemed complex, in the opinion of the Department Head, in consultation with the Director of Finance; and
- (d) It shall be the responsibility of Department Head in consultation with the CAO to determine if it is in the best interest of the Township to establish a formal written agreement with the Supplier.

32) SUPPLIER PERFORMANCE

The Department Head shall monitor and document the performance of Suppliers providing Goods and/or Services to that Department and shall advise the CAO in writing when the performance of a Supplier has been unsatisfactory. The CAO shall confirm his approval or refusal in writing of the supplier performance review. References of such supplier may be carried out prior to approval or refusal of provided performance review.

33) SUBSTANTIVE OBJECTION PROCEDURE

- (a) The Township encourages competitive bidding and an open, accountable and transparent process for the Purchase of Goods and/or Services;

- (b) To maintain the integrity of the process, Suppliers who believe they have been treated unfairly shall submit a Substantive Objection to the Director of Finance providing sufficient detail regarding the complaint;
- (c) The Department Head or the Director of Finance will arrange a meeting with the Supplier who submitted the Substantive Objection to review the Substantive Objection and where required, explain the evaluation process that led to the selection of the successful Supplier; and
- (d) The Director of Finance will investigate the Substantive Objection and will make a recommendation to Council as to what steps should be taken, if any. Council shall make a decision on the Substantive Objection. Council Decision is final.

34) LOBBYING RESTRICTIONS

- (a) Suppliers, their staff members, or anyone involved in preparing Bids shall not engage in any form of political or other lobbying whatsoever or seek to influence the outcome of the purchasing process or subsequent Award. This restriction extends to all of the Township's staff and members of Council;
- (b) The Township may reject any Bid by a Supplier that engages in such lobbying, without further consideration, and may terminate that Supplier's right to continue in the purchasing process;
- (c) During a Bid Solicitation process, all communications shall be made through the Purchasing Department. No Supplier or person acting on behalf of a Supplier or group of Suppliers, shall contact any elected official, consultant or any Employee of the Township to attempt to seek information or to influence the Award; and
- (d) Elected officials shall refer any inquiries about a Bid Solicitation process to the Director of Finance.

35) ACCESS TO INFORMATION

- (a) The disclosure of information received relevant to Bid Solicitations or Awards shall be made by the appropriate officers in accordance with the provisions of all relevant privacy legislation including primarily the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O1990, c. M.56, as amended; and
- (b) All Suppliers who contract with the Township shall adhere to or exceed the standards set in the *Municipal Freedom of Information and Protection of Privacy Act* or the *Personal Health Information Protection Act*, 2004, S.O.2004, c.3, Schedule A, or other relevant Ontario or federal privacy legislation or common law as may be passed or amended from time to time, as if they were agents of the Township as relates to the confidential and secure treatment, including collection, use, disclosure or retention, of personal (health) information, other confidential information of the Township, and all records thereof which they come into contact with in the course of performing Services or providing Goods to the Township.

36) SURPLUS ASSETS

- (a) Department Head may submit to Department of Finance from time to time and upon request , a list of furniture , vehicles , equipment , stocks and other assets, which are obsolete, damaged or surplus to that Department 's needs ("Surplus Assets");
- (b) All Surplus Assets shall first be offered to other Departments within the Township. Upon this first step, surplus assets to be offered outside the Township must be approved by the CAO;
- (c) All Surplus Assets not required by any Department of the Township may then be offered to public sector agencies and charitable organizations within the Township prior to any public disposal procedure, donation or sell to area municipalities;
- (d) Subsequent to section c), surplus assets may be donated to non-profit agencies or non- prof it institutions for educational or teaching purposes only. Donated items shall not be re-sold;
- (e) Department Head shall have the authority to sell or dispose of all Surplus Assets, by sealed bid or public auction through the, municipal website or any other online classified site(s);
- (f) The respective Department shall be credited with the net proceeds, if any, from the Disposal of its Surplus Assets unless otherwise agreed; and
- (g) Surplus Assets shall not be sold directly to an Employee or to a member of Council, although this does not prohibit any Employee or member of Council from purchasing Surplus Assets being sold through a public process.

37) COMPLIANCE

- (a) All persons involved in the purchase of Goods and/or Services provided for in this Policy, shall act in a manner consistent with the requirements and objectives of this Policy;
- (b) Contracts or purchases may not be divided into two (2) or more parts to avoid the requirements of this Policy;
- (c) Any Goods and/or Services that are obtained in contravention of this by law will be subject to investigation by the Township, following which the Township will take the necessary corrective action; and
- (d) Any Employee of the Township who knowingly contravenes this Policy is committing a serious act of misconduct and may be held personally liable for the full value of the purchase as well as disciplinary action up to and including termination.

38) ENVIRONMENTALLY SOUND ACQUISITIONS

Departments will endeavor to include specifications in Bid Solicitations that provide for energy efficient products, reusable products and products that contain the maximum level of post-consumer waste and/or recyclable content, without significantly affecting the intended use of the product or service. It is recognized that cost analysis is required in order to ensure that the products are competitively priced.

39) IN-HOUSE BIDS

- (a) An In-House Bid is a process that allows for internal departments to compete with external entities for procurement opportunities. In-house bids may be used for the procurement of goods and services in circumstances where the Chief Administrative Officer considers it appropriate to do so; and
- (b) When In-House Bids will be considered, all potential suppliers shall be advised in the bid documents that in-house departments will be permitted to submit bids.

40) PROVIDING ASSISTANCE

The CAO has the authority, provided there is no adverse impact upon the operations of the Township, to lend, lease, rent or otherwise provide any vehicle, equipment or other goods owned by the Township to any federal, provincial or municipal body, ministry, agency, board, Township or other public authority when such action is reasonably justified due to unforeseen conditions, and shall report such action to Council forthwith.

41) CONFLICT OF INTEREST

- (a) No Goods and/or Services shall be Purchased for any elected or appointed officials, members of a board or commission, or for Township officers, Employees or their Immediate Family, except in accordance with this policy;
- (b) The Employee or the Immediate Family of an Employee of the Township who has the responsibility for declaring Surplus Assets shall not bid on or personally obtain any goods that he or she has declared as surplus;
- (c) Goods and/or Services can be purchased, in accordance with the requirements of this Policy, from Employees and such Employees shall, for any purchases of Goods and/or Services complete the Declaration of Interest form attached as Schedule "D";
- (d) Every elected official, appointed officer, Employee of the Township or member of an Employee's Immediate Family is expressly prohibited from accepting, directly or indirectly, from any person, company, firm or Township to which any Purchase Order or Contract is, or might be awarded, any rebate, gift or money, except:
 - (i) Gifts of a very small intrinsic value; or
 - (ii) Moderate hospitality during the normal course of business that would not significantly exceed what the Township, through the Employee's expense

account, would likely provide in return and would not be perceived by others as influencing the making of a business decision;

- (e) Subject to section 41(c) above, all elected officials, officers or Employees of the Township shall declare any Conflicts of Interest to the Chief Administration Officer and shall have no involvement in a purchasing process where a Conflict of Interest exists, including, but not limited to:
 - (i) Requesting the Goods and/or Services, setting the parameters of the Purchase, evaluating Bids or recommending, deciding or making Awards; and
 - (ii) Direct contact with those making those purchasing decisions, both in Purchasing Department and the user Department.
- (f) Suppliers shall not be allowed to submit a Bid for any Bid Solicitation in which the Supplier has participated in the preparation of the Bid Solicitation, and any such Bid submitted shall be disqualified except where such Supplier has been specifically authorized by Council to participate in such Bid Solicitation.

42) SEVERABILITY

If any Section or Sections of this Policy or parts thereof are found by an adjudicator of competent jurisdiction to be invalid or beyond the power of Council to enact, such Section or Sections or parts thereof shall be deemed to be severable and all other Sections or parts of the Policy shall be deemed to be separate and independent there from and shall continue in full force and effect unless and until similarly found invalid or beyond the power of Council to enact.

43) EXEMPTIONS

Upon approval of the CAO of an exemption request, the Department Head is to submit a report to Council about such request for exemption from any or all of the purchasing methods outlined in this policy. Such exemption must be granted through a resolution of Council and a copy must be forwarded to the Finance Department.

44) REVIEW/REJECTION OF BIDS

In addition to the criteria set out in section 26 of this Policy, the Township may consider the following matters as part of the review of all Bids received in a Bid Solicitation process:

- (a) The Township shall have the right to reject any, or all, proposals for any reason, or to accept any proposals which the Township in its sole unfettered discretion deems most advantageous to itself. The lowest, or any, proposals will not necessarily be accepted and the Township shall have the unfettered right to:
 - (i) Accept a non-compliant tender/RFP;
 - (ii) Accept a tender/RFP which is not the lowest tender; and

- (iii) Reject a tender/RFP that is the lowest bid even if it is the only tender received;
- (b) The Township reserves the right to consider, during the evaluation of proposals all or some of the following criteria in assessing a tender, none of which shall be binding on the Township;
- (i) Information provided in the tender/RFP document itself;
 - (ii) Information provided in response to enquiries of credit and industry references set out in the tender/RFP;
 - (iii) Information received in response to enquiries made by the Township of third parties apart from those disclosed in the tender/RFP in relation to the reputation, reliability, experience and capabilities of the Bidder;
 - (iv) The manner in which the Bidder provides services to others;
 - (v) The experience and qualification of the Bidder's senior management, and project management;
 - (vi) The compliance of the Bidder with the Township's requirements and specifications;
 - (vii) Innovative approaches proposed by the Bidder in the tender; and
 - (viii) The Township's policies relating to tendering and issuing contracts to third parties.
- (c) The Township may rely upon the criteria which the Township deems relevant, even though such criteria may not have been disclosed to the Bidder. By submitting a bid, the Bidder acknowledges the Township's rights under this Section and absolutely waives any right, or cause of action against the Township and its consultants, by reason of the Township's failure to accept the bid submitted by the Bidder, whether such right or cause of action arises in contract, negligence, or otherwise.

45) POLICY REVIEW

The Chief Administrative Officer and/or Director of Finance shall review the effectiveness of this Policy at least every five (5) years and report to Council as necessary.

Schedule "A"

The purchase of the items in Schedule "A" shall be made in accordance with Section 3 of this Policy.

1. Petty cash items
2. Payments made in accordance with salaries and payroll benefits, including temporary help agency Employees, as authorized by Council.
3. Expenditures for Training and Education
 - a. Attendance at conferences, seminars, training sessions, courses and conventions
 - b. Subscriptions to books, magazines, periodicals, on-line services
 - c. Membership fees
 - d. Fees for trainers/facilitators
 - e. Staff Development
4. Refundable Employee/Council Member Expenses
 - a. Meal allowances
 - b. Travel and entertainment
 - c. Miscellaneous expenses
 - d. Advances
5. General Expenses
 - a. Licenses (vehicles, information systems, etc.)
 - b. Bank loan payments including temporary loans
 - c. Interest on temporary bank loans and bank charges
 - d. Insurance premiums
 - e. Grants to agencies
 - f. Damage claims
 - g. Petty cash reimbursement
 - h. Government remittances (i.e. EHT, WSIB, PST, GST, etc.)
 - i. Inter-department charges

- j. Payment to or on behalf of individuals in regards to program authorized by council
 - k. Suppliers for bulk fuel purchases
 - l. Ontario Provincial Police
 - m. Refund of performance deposits
 - n. Building permit refundable fees
 - o. Overpayments (tax and utility refunds, registration refunds, etc.)
 - p. Supply, services and maintenance contracts (calcium, salt, asphalt, gravel, etc.)
 - q. Leases and rental agreements
 - r. Requisitions payable to school boards
 - s. All expenses related to contracts and capital expenditures approved by Council, except final holdback payment when applicable
 - t. All invoices of less than \$1,000.00
 - u. All payments made pursuant to the *Tile Drainage Act*
 - v. Postal services and delivery charges
 - w. Upper tier government to and from other government bodies
 - x. Sinking Fund Payments
6. Professional and Special Services Fees
- a. Committee Fees
 - b. Fees for professional legal or expert services
 - c. Appraiser Fees
 - d. Honorariums
 - e. Advertising
7. Ongoing maintenance and software licencing agreements for equipment such as computer hardware and software, telecommunications equipment, elevators, and HVAC equipment.
8. Utilities
- a. Water and Sewer
 - b. Electricity

- c. Gas
 - d. Communication Infrastructure Services such as Bell, Rogers, Telus, etc.
 - e. Construction work completed by railways on property of the Township and billed to the Township
9. Specific payments as authorized by Council
- a. All fees related to property acquisition
 - b. Expropriations
 - c. External audits
 - d. Legal Services
 - e. Consultants
 - f. Property evaluation
10. All cheques over \$25,000 require the handwritten signature of the Mayor or his/her substitute.

Schedule "B"

RESPONSES FOR ADMINISTERING IRREGULARITIES CONTAINED IN BIDS

IRREGULARITY		RESPONSE
1.	Late Bids	Automatic rejection. Returned unopened to the bidder.
2.	Unsealed Envelopes	Automatic rejection
3.	INSUFFICIENT FINANCIAL SECURITY	
	a) No bid deposit, uncertified cheque, or financial security not an original (e.g. a photocopy or a facsimile of a financial security)	Automatic rejection
	b) Amount of Financial Security is insufficient:	Automatic rejection
	i) Amount of Security is expressed as a percentage of the total bid sum	Automatic rejection, unless in the opinion of Finance Department, the insufficiency in the financial security is de minimus (trivial or insignificant).
	ii) Amount of Security is expressed as a dollar figure	Automatic rejection
	c) Name, or signature of Supplier, or bonding company are missing or incomplete	Automatic rejection
	d) Failure to provide a letter of agreement to bond (if required)	Automatic rejection
4.	BID DOCUMENT EXECUTION	
	a) Bids completed in erasable medium	Automatic rejection
	b) i) Signature of representative authorized to bind the Supplier missing or incomplete on the Bid Document.	Automatic rejection
	ii) Electronic signature of representative authorized to bind the Supplier shown on Form of Submission	Two (2) working days to obtain original signature
	c) Form of Proposal or Quotation missing or incomplete	Two (2) working days to correct to the satisfaction of Purchasing Department or Township reserves the right to waive initialing and accept bid; otherwise automatic rejection
	d) Form of Tender missing or incomplete	Automatic rejection
	e) Signature of witness, if required, missing or incomplete	Two (2) working days to correct, or Township reserves the right to waive initialing and accept bid; otherwise automatic rejection

IRREGULARITY		RESPONSE
f)	Date of Bid missing or incomplete	Two (2) working days to correct, otherwise automatic rejection or, if stated in the Bid Solicitation, automatic rejection
5.	Incomplete, illegible or obscure Bids or Bids which contain information not called for, erasures, overwriting or strike outs (not initialed)	Two (2) working days to correct to the satisfaction of Purchasing Department or Township reserves the right to waive initialing and accept bid; otherwise automatic rejection
6.	Document, in which all necessary Addenda have not been acknowledged	Two (2) working days to confirm Bid to the satisfaction of Purchasing Department or, if stated in the Bid Solicitation, automatic rejection
7.	Failure to attend mandatory site visit (if required)	Automatic rejection
8.	Bid received on documents other than those provided in the Bid Solicitation	Automatic rejection, unless allowed for in the bid Solicitation
9.	Failure to insert the bidder's business name in the space provided in the Bid Solicitation form	Automatic rejection, unless, in the opinion of Purchasing Department, the incomplete nature is trivial or insignificant
10.	Mathematical errors	Two (2) working day to initial the corrections as made by the Township. Unless otherwise stated in the Bid, the unit price shall prevail and the total Bid price shall be adjusted accordingly. The Township reserves the right to waive initialing and accept Bid as corrected
11.	Qualified Bids (Bids qualified or restricted by an attached statement)	Automatic rejection
12.	Bids containing minor obvious clerical errors	Two (2) working days to confirm Bid to the satisfaction of Purchasing Department.
13.	Any other irregularities.	Upon legal opinion, the Purchasing Department and/or the Director of Finance shall have authority to waive other irregularities or grant two (2) working days to initial such other irregularities considered to be minor.

Schedule "C"

**METHOD OF PROCUREMENT, PURCHASING AUTHORITY
AND EXECUTION AUTHORITY SUMMARY**

Method of Purchasing	Dollar Value/ Financial Limits	Budget	Purchasing Authority	Type of Agreement with Supplier
Petty cash/ expense account (refer to section 11 of by-law)	\$300 or less		<input checked="" type="checkbox"/> Employee Designate <input checked="" type="checkbox"/> Department Head <input checked="" type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Council	Cash, purchase order or corporate credit card
Low Value (for routine purchases of low dollar value) (refer to section 12 of by-law)	Up to \$10,000	<input checked="" type="checkbox"/> Included <input type="checkbox"/> Not included	<input checked="" type="checkbox"/> Employee Designate <input checked="" type="checkbox"/> Department Head <input checked="" type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Council	Cash, purchase order or corporate credit card
Low Value (for routine purchases of low dollar value) (refer to section 12 of by-law)	Up to \$10,000	<input type="checkbox"/> Included <input checked="" type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input checked="" type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Council	Cash, purchase order or corporate credit card
Informal Quotation * 3 quotes obtained (refer to section 13 of by-law)	\$10,000 to \$25,000	<input checked="" type="checkbox"/> Included <input type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input checked="" type="checkbox"/> Department Head <input checked="" type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Council	Purchase order or legally executed agreement
Informal Quotation * less than 3 quotes (refer to section 13 of by-law)	\$10,000 to \$25,000	<input checked="" type="checkbox"/> Included <input type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input checked="" type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Council	Purchase order or legally executed agreement
Informal Quotation * 3 quotes obtained (refer to section 13 of by-law)	\$10,000 to \$25,000	<input type="checkbox"/> Included <input checked="" type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement
Informal Quotation * less than 3 quotes (refer to section 13 of by-law)	\$10,000 to \$25,000	<input type="checkbox"/> Included <input checked="" type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement
Formal Quotation (formal bid solicitation to obtain quotations from at least 3 suppliers) (refer to section 14 of by-law)	\$25,000 to \$100,000	<input checked="" type="checkbox"/> Included <input type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input checked="" type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Council	Purchase order or legally executed agreement

Method of Purchasing	Dollar Value/ Financial Limits	Budget	Purchasing Authority	Type of Agreement with Supplier
Formal Quotation (formal bid solicitation to obtain quotations from at least 3 suppliers) (refer to section 14 of by-law)	\$25,000 to \$100,000	<input type="checkbox"/> Included <input checked="" type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement
Request for Tender (refer to section 15 of by-law)	\$100,000 to \$250,000	<input checked="" type="checkbox"/> Included <input type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Council	Purchase order or legally executed agreement
Request for Tender (refer to section 15 of by-law)	\$100,000 to \$250,000	<input type="checkbox"/> Included <input checked="" type="checkbox"/> Not included	<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement
	\$250,000 and more		<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement
Request for Proposal (refer to section 16 of by-law)	>\$10,000 to \$25,000		<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement
	Less than \$75,000		<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input checked="" type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement
	More than \$75,000		<input type="checkbox"/> Employee Designate <input type="checkbox"/> Department Head <input type="checkbox"/> Director of Finance <input type="checkbox"/> Chief Administrative Officer <input checked="" type="checkbox"/> Council	Purchase order or legally executed agreement

“Purchasing Authority” means any of these positions is authorized to make and/or approve purchase.

Schedule "D"

DECLARATION OF INTEREST

1) I certify that I have no Conflict of Interest to declare under paragraphs (A) and (B) of this section.

2) **EMPLOYMENT STATUS:** I am (name) _____

An employee of the Township.

A Council member of the Township.

3) **INTERESTS**

The Conflict of Interest that I have to declare is as follows:

I declare that I hold securities issued by each of the enterprises listed below or of the voting rights attached to such securities:

(Name, address and nature of business firm)

I declare that I am an employee an administrator owner a creditor of the businesses

mentioned business below:

(Name, address and nature of business firm)

Other:

(Name, address and nature of business firm)

NOTE: If more than one businesses are applicable, please provide us the information on a separate sheet and attach to this document.

I certify that this declaration is true and complete, and I am aware that it must be completed and filed in conformity with section the procurement of good and services by-law 65-2013 to which I am subject. I acknowledge that the information contained in this declaration may be used by the Township to comply with the applicable laws.

Made on _____

 Signature of bidder and/or employee and/or council member