

**THE CORPORATION OF THE TOWN OF WHITCHURCH-STOUFFVILLE**

**BY-LAW NUMBER 2017-084-FI**

BEING A BY-LAW to define policies with respect to the procurement of goods and services and to repeal By-law 2013-136-FI

**WHEREAS** Section 270 (1) of the Municipal Act, 2001, S.O. 2001, c. 25, as amended, requires a municipality to adopt and maintain policies with respect to its procurement of goods and services;

**AND WHEREAS** the Council of The Corporation of the Town of Whitchurch-Stouffville enacted By-law 2013-136-FI to adopt policies with respect to the procurement of goods and services;

**AND WHEREAS** it is deemed necessary to enact a by-law to adopt the said procurement policies and to repeal By-law 2013-136-FI.

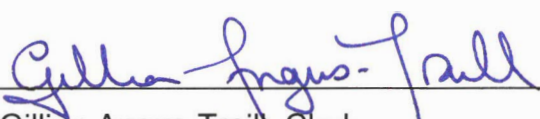
**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF WHITCHURCH-STOUFFVILLE ENACTS AS FOLLOWS:**

1. That Schedule 1 attached hereto be adopted as the Procurement Policies for The Corporation of the Town of Whitchurch-Stouffville; and
2. That By-law 2013-136-FI, as amended, and all procedures and schedules thereto, is hereby repealed on the day of this By-law coming into force and effect; and
3. That notwithstanding Item #2, for the purposes of transition to this By-law, all procurements that commenced (being the date that the Bid Call Document was issued) prior to the effective date of this By-law are subject to the provisions of By-law Number 2013-136-FI, as amended, up to and including the authorization and execution or issuance of an agreement or purchase order; and
4. That this By-law shall take precedence in the case of any conflict with any other Town policies or procedures relating to procurement; and
5. That the short title of this By-law shall be the "Procurement By-law"; and
6. That this By-law shall be reviewed to evaluate its effectiveness every five (5) years, or earlier if the Treasurer or Council deem it necessary.

READ a first and second time this 21st day of November, 2017

READ a third time and passed this 21st day of November, 2017

  
Justin Altmann, Mayor

  
Gillian Angus-Trail, Clerk

## SCHEDULE 1

# THE CORPORATION OF THE TOWN OF WHITCHURCH-STOUFFVILLE PROCUREMENT POLICIES AND PROCEDURES

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## THE CORPORATION OF THE TOWN OF WHITCHURCH-STOUFFVILLE

### PROCUREMENT BY-LAW

#### PART 1: INTERPRETATION AND INTRODUCTION

##### 1.1 INTERPRETATION

1.1.1 Unless otherwise expressly stated, any reference within this By-law to a statute, an agreement, an instrument or any other document, shall be construed in each case as referring to such statute, agreement, instrument or other document as from time to time is amended, supplemented, replaced or otherwise modified.

1.1.2 In this By-law, the following is true:

- (a) the word "may" is permissive;
- (b) the word "shall" is imperative;
- (c) words used in the present tenses include the future;
- (d) words in the singular form include the plural form, and words in the plural include the singular; and
- (e) if the context so requires, the masculine gender shall include the feminine and neutral gender.

##### 1.2 SCHEDULES

The following Schedules are attached to and form part of this By-law:

Schedule A: Procurement Exemption List

Schedule B: Thresholds and Approvals

These Schedules shall be referred to throughout this By-law by short title only (e.g. Schedule A, etc.).

##### 1.3 VALIDITY AND SEVERABILITY

Should any Section, Subsection, clause, paragraph or provision of this By-law be declared by a court of competent jurisdiction to be invalid or unenforceable, the decision shall not affect the validity or enforceability of any other provision of this By-law as a whole.

##### 1.4 DEFINITIONS

The following definitions apply in this By-law:

**Agreement** means a mutual understanding, which may or may not be legally enforceable: an Agreement is a Contract if it is legally enforceable;

**Approval** means authorization to proceed with the purchase or disposal of goods, services or construction;

**Authority** means the legal right to conduct the tasks outlined in this By-law, as directed by Council and delegated to the CAO or other employees, as applicable;

**Bid** means a submission in response to a Bid Call Document, and includes a tender, proposal, quotation or other form of solicited response;

**Bid Call Document** means the document used by the Town to solicit Bids from Bidders, including a Request for Tenders (RFT); a Request for Proposals (RFP); a Request for Quotations (RFQ); and a Request for Pre-Qualification (RFPQ);

**Bid Dispute** means a disagreement arising in relation to a Bid Call process;

**Bidder** means the individual or legal entity submitting a Bid. For clarity, in this By-law only, the word "Bidder" shall also include "Proponent", "Respondent" and "Offeror". The definition shall also include any principal, director, or officer of that Bidder, bidding directly for Town Contracts or indirectly through another legal entity;

**Black-Out Period** means the period of time from the issue of a Bid Call until the execution of an Agreement, during which all communication regarding the Bid Call process is strictly between the designates of the Town and the Bidder.

**Budget (Operating and Capital)** means the annual expenditure estimate in the case of the Operating Budget and projected cost estimate for identified capital projects in the case of the Capital Budget approved each year by Council;

**CAO** means the Town's Chief Administrative Officer, as appointed by Council, or their designate;

**Canada-European Union Comprehensive Economic and Trade Agreement (CETA)** means the Trade Agreement between Canada and the European Union (effective September 21, 2017);

**Canadian Free Trade Agreement (CFTA)** means the intergovernmental Trade Agreement between provinces (effective July 1, 2017);

**Competitive Procurement** means a procurement conducted through an Open Competition or an Invitational Competition;

**Consultant** means a person or entity that provides expert or strategic advice and related services for consideration and decision-making.

**Contract** means a legally enforceable agreement between two or more parties that creates an obligation to supply Goods, Services or Construction in return for money or other consideration;

**Contract Dispute** means a disagreement arising in relation to the fulfillment of a Contract from the date of award until the end of the term;

**Co-operative Procurement** means a) the actions taken when two or more entities combine their requirements to obtain advantages of volume purchases, including administrative savings and other benefits. b) a variety of arrangements whereby two or more public procurement entities purchase from the same Vendor(s) using a single procurement.

**Council** means the Council of the Corporation of the Town of Whitchurch-Stouffville;

**Deliverables** means goods, services or construction, or any combination thereof;

**Department** means one of the Town's business units, departments or divisions;

**Department Head** means the Town officer or employee responsible for the direction and operational control of a Department, or their designate;

**Designate** means a person authorized by the CAO, Treasurer, Department Head, Manager or Supervisor to act on their behalf, for the purpose of this By-law;

**Emergency Procurement** means an event or circumstance where the purchase of Deliverables requires immediate action to prevent or alleviate serious delay, a threat to employees and/or public health, safety or welfare, the disruption of essential services or damage to public property or any other expenditure that is necessary to respond to any emergency of the Town or as required under The Emergency Management and Civil Protection Act, R.S.O. 1990 c. E.9, as amended;

**Emergency Procurement (Municipally Declared)** means an event or circumstance where the Mayor or the CAO of the Town declare that an emergency exists in the Town or in any part thereof and may take such action and make such orders as he or she considers necessary and are not contrary to law to implement the Emergency Response Plan of the Town and to protect property and the health, safety and welfare of the inhabitants of the emergency area or as required under The Emergency Management and Civil Protection Act, R.S.O. 1990 c. E.9, as amended;

**Financing Lease** means a lease which allows for the provision of Deliverables if the lease may or shall require payment by the Town of financing, interest, bonuses, premiums, or other charges or costs for the Deliverables in compliance with: (i) O. Reg. 653/05, as amended, made under the Municipal Act, 2001, S.O. 2001, c. 25, as amended, or any successor to such regulation; and Town policies and procedures, as amended;

**Invitational Competition** means a process initiated by way of an invitation to at least three (3) Vendors to submit Bids;

**Limited Competition** means the solicitation of Bids from a limited number of Vendors where the Procurement Value would otherwise require an Open

Competition;

**Low Value Purchase** means the purchase of Deliverables, which are not included under an existing Supply Arrangement, with a Procurement Value below the applicable threshold set out in Schedule B;

**Lowest Compliant or Lowest Responsible Bid** means the Bid of a responsive and responsible Bidder who fully complied with all of the Bid Call requirements and provided the lowest cost, and based on the criteria stipulated in the Bid Call Document whose past performance, reputation and financial capability is deemed acceptable;

**Manager** means a Town employee responsible for oversight of a business unit or functional cluster, or their designate;

**Negotiation** means the action or process of conferring with one or more Vendors with the goal of coming to an agreement on the acquisition of the deliverables;

**Non-Competitive Procurement** means the award of a Contract outside of a Competitive Procurement;

**Open Competition** means a process initiated by way of a publicly posted Bid Call Document;

**Piggybacking** means a form of intergovernmental Co-operative Purchasing in which an agency shall be offered the pricing and terms of a Contract established by another entity. Generally, one entity shall competitively award a Contract that shall include language allowing other entities to use the Contract, which may be to the advantage of the other entities in terms of pricing, thereby gaining economies of scale that they would not normally receive on their own. The piggyback clause extends the same pricing, terms and conditions, subject to the approval of the Vendor;

**Procurement** means: (i) purchasing, renting, leasing or otherwise acquiring any Goods, Services, or Construction (Deliverables);

**Procurement Services** means the Procurement division of the Town;

**Procurement Supervisor** means the Supervisor of Procurement who is responsible for the Town's centralized procurement function, or their designate;

**Procurement Value** means the total value of the Deliverables being procured, or, in the case of a financial lease or rental agreement, the total value of the financial lease or rental payments for the full term of the financial lease or rental, and shall include all costs to the Town, including, as applicable, acquisition, training, delivery, installation, maintenance, replacement, disposal, and the total value of any extension option year(s), less applicable rebates or discounts and exclusive of sales taxes;

**Purchase Order** means the Town's written document issued by a duly authorized

employee of the Town to a Vendor formalizing all the terms and conditions of the purchase and supply of the Deliverables identified on the face of the Purchase Order;

**Purchasing Card** or **P-Card** means a credit card provided by the Town to duly authorized employees of the Town for use as a payment method to purchase directly from Vendors where permitted under this By-law and in accordance with all applicable policies and procedures;

**Responsive Bidder** means a Bidder who has fully conformed in all material respects to the Bid Call and all its requirements;

**Responsible Vendor** means a Vendor that has the technical capacity, financial capacity, and ability to ensure performance as required in the Contract;

**Single Source** means a procurement decision whereby purchases for Deliverables are directed to one source because of standardization, warranty, or other factors, even though other competitive sources are available;

**Sole Source** means a procurement decision whereby purchases for Deliverables are directed to one source because only one Vendor possesses the unique ability or capability to supply and no other competitive sources are available;

**Supply Arrangement** means an established arrangement with Vendors that have been selected to provide particular Deliverables to the Town, on an as needed basis, during a specified period of time. Such arrangements include Term Contracts and VORs;

**Term Contract** means a type of Contract between the Town and a selected Vendor for the supply of particular Deliverables, as requested through an ordering process, usually characterized by an estimated or definite minimum quantity, with the possibility of additional requirements beyond the minimum, at a predetermined unit price or discount;

**Top-Ranked Bid** means the Bid that was determined to be compliant with the requirements of the Bid Call Document and received the highest ranking based on the evaluation method set out in the Bid Call Document;

**Top-Ranked Bidder** means the Bidder who submitted the Top-Ranked Bid;

**Total Cost** means the sum of all costs including all contingencies and applicable taxes to be paid to a Vendor for the purchase of Deliverables or, in the case of a financial lease or rental agreement, the total costs of financial lease or rental payments for the full term of the financial lease or rental agreement;

**Town** means the Corporation of the Town of Whitchurch-Stouffville;

**Town Solicitor** means the Town Solicitor for the Town, or their designate;

**Treasurer** means the Treasurer for the Town as appointed by Council, or their



designate;

**Vendor** means any entity who may or does currently supply Deliverables to the Town;

**Vendor of Record (VOR) Arrangement** means a procurement arrangement typically established through an Open Competition that authorizes one or more Vendors to provide specific Deliverables to the Town for a defined time period with terms and conditions and pricing as set out in the particular VOR arrangement, and includes VORs established and made available to municipalities under Ontario's VOR program;

**Vendor Performance System (VPS)** means the program, as amended, which provides a framework for the Town to evaluate and improve the performance of all Vendors awarded Town Contracts by proactively managing the performance of Vendors during the term of the Contract, and creating a record of past performance for use as an evaluation tool in future procurements; and

**Working Day** means Monday through Friday inclusive; and excludes Saturday and Sunday, any statutory holiday recognized by the Town, and any day that the Town Hall is closed.

To establish the definition of any other procurement terms not herein included, reference may be made to the latest edition of the Institute for Public Procurement (NIGP) at [www.nigp.org](http://www.nigp.org) Public Procurement Dictionary of Terms and/or, the Government of Canada Supply Manual Glossary at [www.buyandsell.gc.ca](http://www.buyandsell.gc.ca), and the Broader-Public-Sector at [www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/EN/bps-procurementdirective](http://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/EN/bps-procurementdirective)

## **PART 2: PURPOSE AND PRINCIPLES**

### **2.1 PURPOSE**

The purpose of this By-law is to:

- (a) express the Town's principles and objectives in relation to its procurement activities;
- (b) describe the roles, responsibilities and authorities of the Town's employees, officers and elected officials in carrying out the Town's procurement activities; and
- (c) authorize the Treasurer to implement detailed procurement policies and procedures that are consistent with this By-law, and to supplement and amend those policies and procedures where and when required to uphold the procurement principles set out in this By-law.

### **2.2 PROCUREMENT PRINCIPLES**

Procurement affects and is affected by the public sector organization as a whole, and the community it serves, whether at the local, provincial, or national level. The objective of this By-law is to ensure that the Town conducts procurement processes that conform to the following principles:

- (a) Encourage competitive procurement and ensure the principles of fairness, transparency and accountability are upheld in the Town's procurement processes;
- (b) Achieve best value through consideration of the full range of procurement formats and the adoption of commercially reasonable business practices;
- (c) Ensure compliance with applicable legislation and international and interprovincial trade treaties, legal standards and best practices in Canadian public procurement;
- (d) Practice reciprocal non-discrimination and geographic neutrality with respect to Ontario's trading partners and avoid preferential treatment of local Vendors;
- (e) Encourage the procurement of Deliverables with due regard to the preservation of the natural environment by providing for the consideration of "green solutions", where appropriate and feasible;
- (f) Promote and incorporate, wherever possible, the requirements of the Accessibility for Ontarians with Disabilities Act, 2005, S.O. 2005, c. 11, as amended, in procurement activities of the Town;
- (g) Effectively balance accountability and efficiency; and

- (h) Adhere to the highest standards of ethical conduct.

## **PART 3: APPLICATION**

### **3.1 APPLICATION**

- 3.1.1 This By-law shall apply to all elected officials, officers and employees of the Town and its public agencies and local boards, with the exception of the Whitchurch-Stouffville Public Library.
- 3.1.2 This By-law applies to the acquisition of all Deliverables with the exception of those items set out in Schedule A.
- 3.1.3 All procurement undertaken by the Town shall be undertaken in accordance with this By-law, the Town's policies and procedures, including Council and Staff Code of Conduct Policies, and in accordance with the Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50, as amended.
- 3.1.4 The Treasurer and Procurement Services shall develop and maintain detailed policies and procedures to support this By-law. All procurements covered by this By-law shall be conducted in accordance with all applicable policies and procedures.

## **PART 4: ETHICAL CONDUCT AND CONFLICTS OF INTEREST**

### **4.1 TOWN'S CODE OF CONDUCT AND ETHICS**

4.1.1 The Town's procurement activities shall be conducted in accordance with:

- (a) the Procurement Code of Ethics set out in this By-law;
- (b) the Council Code of Conduct, as applicable;
- (c) the Town's Employee Code of Conduct Administrative Procedure No. 60 and Conflict of Interest Policy Administrative Procedure No. 38, as applicable;
- (d) the Supply Chain Management Association and the National Institute of Governmental Purchasing, as applicable; and
- (e) any other applicable policies governing employees and Council that may come into effect during the life of this By-law.

### **4.2 TOWN'S PROCUREMENT CODE OF ETHICS**

The Town has adopted the following Procurement Code of Ethics with the goal of ensuring ethical, professional and accountable procurement operations:

#### Personal Integrity and Professionalism:

Individuals involved in the Town's procurement activities shall act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence shall be integral to all activities within and between the Town, Vendors and other stakeholders. Respect shall be demonstrated for each other and for the environment. Confidential information shall be safeguarded. Participants shall not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts, providing preferential treatment, or publicly endorse Vendors or products except in accordance with the Town's policies and procedures governing the conduct of employees and members of Council.

#### Accountability and Transparency:

The Town's procurement operations shall be open and accountable; in particular, contracting and purchasing activities shall be fair, transparent and conducted with a view to obtaining the best value for public money. All participants shall ensure that public sector resources are used in a responsible, efficient and effective manner.

#### Compliance and Continuous Improvement:

Individuals involved with procurement activities shall comply with this Code of Ethics and the laws of Canada and Ontario. Individuals should continuously work to improve procurement policies and procedures to improve their procurement knowledge and skill levels, and to share leading practices.

- 4.2.1 All individuals involved in conducting or making decisions in connection with a procurement process, including any external consultants or other service providers acting on the Town's behalf, shall declare any perceived, possible or actual conflicts of interest. A conflict of interest includes any situation in which a person is in a position to derive personal, familial, or a business/corporate benefit from actions or decisions made in their official capacity.
- 4.2.2 No elected official, officer or employee of the Town shall have any pecuniary interest either direct or indirect in any Competitive or Non-Competitive Procurement or Contract for the supply of Deliverables to the Town, unless such pecuniary interest is disclosed by the Bidder or Vendor, as the case may be, or unless such pecuniary interest would be exempt under the Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50, as amended.
- 4.2.3 For the purposes of this Section, an individual is deemed to have a pecuniary interest if the individual is a partner of or in the employment of a person that has submitted a Bid or entered into a Contract with the Town.
- 4.2.4 For the purposes of this Section, an individual is deemed to have a pecuniary interest if the individual's parent or spouse or child has a pecuniary interest and that pecuniary interest is known to the individual.

### **4.3 VENDORS' CONDUCT AND EXTERNAL CONFLICTS OF INTEREST**

- 4.3.1 All Vendors participating in a Bid Call process shall declare any perceived, possible or actual conflicts of interest.
- 4.3.2 Where a Vendor is retained to participate in the development of a Bid Call Document which may or may not include the specifications for inclusion in a Bid Call Document, that Vendor shall not be allowed to submit a Bid or directly or indirectly participate in the submission of any Bid in response to that Bid Call Document.
- 4.3.3 The Town expects its Vendors to act with integrity and the Town, based upon recommendations of the BRP, may refuse to do business, including accepting any Bid submissions, with any Vendor or Sub-Contractor/Sub-Consultant that:
- (a) has an actual or potential conflict of interest;
  - (b) has an unfair advantage in the procurement process; or
  - (c) has engaged in illegal or unethical bidding practices, whether or not such illegal or unethical bidding practices occurred in relation to a Town procurement.
- 4.3.4 Illegal or unethical bidding practices include:
- (a) bid-rigging, price-fixing, bribery or collusion or other behaviours or practices prohibited by federal or provincial statutes;

- (b) attempting to gain favour or advantage by offering gifts or incentives to Town officers and employees, members of Council or any other representative of the Town;
  - (c) lobbying members of Council or Town officers and employees or engaging in any prohibited communications during a procurement process;
  - (d) submitting inaccurate or misleading information in response to a procurement opportunity; and
  - (e) engaging in any other activity that compromises the Town's ability to run a fair procurement process.
- 4.3.5 Vendors shall not at any time directly or indirectly communicate with the media in relation to a procurement process, Agreement, or Contract without first obtaining the written permission of the Town.
- 4.3.6 Vendors shall not engage directly or indirectly in any form of political or other lobbying whatsoever to influence the outcome of a procurement process.
- 4.3.7 No Vendor shall discuss or communicate directly or indirectly with any other Vendor or their agent/representative about the preparation of a Bid including, but not limited to, any connection, comparison of figures or arrangements or knowledge of any other Bidder.
- 4.3.8 The Black-Out Period begins when a Bid Call Document is issued and ends when a Contract between the successful Bidder and the Town has been executed. During the Black-Out Period, Bidders shall conduct all communication about the procurement only with the Procurement Services representative identified in the Bid Call Document. Any communication initiated by a Bidder to elected officials or employees of the Town other than to the Procurement Services representative identified in the Bid Call Document may result in the disqualification of the offending Bidder from the Competitive Procurement, in the sole discretion of the Bid Review Panel.

## **PART 5: RESPONSIBILITIES AND AUTHORITIES**

### **5.1 RESPONSIBILITY AND AUTHORITY OF TOWN OFFICERS AND EMPLOYEES**

In addition to any other specific responsibilities assigned or authorities delegated under this By-law and applicable procurement procedures, the following officers and employees have the responsibilities and authorities set out in this Section.

#### **5.1.1 Chief Administrative Officer (CAO)**

The CAO is authorized to exercise any authority that has been granted to any officer or employee of the Town under this By-law. Where the CAO is authorized to undertake any activity pursuant to this By-law, such activity may be undertaken by the CAO's authorized designate.

The CAO has the authority to:

- (a) not award a Contract subject to recommendations from the Bid Review Panel and/or Council;
- (b) apply additional restrictions concerning procurement where such action is considered necessary and in the best interest of the Town;
- (c) delegate spending authority limits to employees in compliance with this By-law and all applicable policies;
- (d) approve Contracts normally subject to Council approval where regular Council meetings are suspended, such as a recess period, or where Section 275 (Restricted Acts of Council) of the Municipal Act, 2001, would otherwise apply provided that the Bid Call results are from a Standard Procurement Method and a report is submitted to Council as soon as reasonably possible, setting out the details of any Bid Call award of Contract approved pursuant to this authority; and
- (e) allow a Bid Call to be issued prior to budgetary approval for regular operational services.

The CAO is responsible for enforcing and ensuring compliance with this By-law.

#### **5.1.2 Treasurer**

Where the Treasurer is authorized to undertake any activity pursuant to this By-law, such activity may be undertaken by the Treasurer's authorized designate.

The Treasurer has the authority to:

- (a) address all instances of non-compliance with the appropriate Department Head and report continued non-compliance to the CAO; and



- (b) approve the expenditure of up to 50% of the previous year's Operating Budget on all accounts which are necessary to maintain ongoing operations of the Town between the first day of January in any year and the adoption of the Annual Operating Budget as per the applicable Department Head's approval.

The Treasurer is responsible for:

- (i) overseeing Procurement Services and the development, implementation, and maintenance of detailed policies to support this By-law;
- (ii) preparing regular Procurement Summary Reports for Council with emphasis on Capital projects, or as required;
- (iii) maintaining a leadership and liaison role with other agencies, as applicable, with respect to financial matters relating to emergency purchases;
- (iv) chairing the Financial Subcommittee to the Town's Emergency Response Plan;
- (v) serving as a member of the Bid Review Panel as required;
- (vi) serving as a member of the Bid Dispute Panel as required; and
- (vii) serving as a member of the Contract Dispute Panel as required.

### 5.1.3 Department Head

The Department Head shall have the responsibility and authority for all procurement activity within the prescribed limits of this By-law. Where a Department Head is authorized to undertake any activity pursuant to this By-law, such activity may be undertaken by the Department Head's authorized designate.

The Department Head is authorized to:

- (a) delegate spending authority limits to employees in compliance with this By-law and all applicable policies.

The Department Head is responsible for:

- (i) ensuring that all procurement activities and decisions conducted by their Department are authorized and compliant with all provisions of this By-law;
- (ii) ensuring sufficient time and resources are allocated to procurement planning, including the preparation of business requirements and specifications for a Bid Call Document;
- (iii) ensuring that all awards are subject to the identification and availability of sufficient approved funding in appropriate accounts, and that the required funding for future years of a Contract can reasonably be expected to be made available based on historical spending on similar Contracts;

- (iv) considering short and long-term requirements with respect to quantities, timelines and total project costs;
- (v) preparing regular procurement summary lists of all Competitive and Non-Competitive Procurements for the Treasurer, or as required;
- (vi) preparing reports to Council, as required;
- (vii) monitoring compliance with this By-law by their Department employees and informing Council, in consultation with the CAO, Treasurer, Procurement Supervisor, and Town Solicitor if required, when serious and material non-compliance has occurred;
- (viii) monitoring of all Contract expenditures and ensuring that financial limitations have been complied with;
- (ix) ensuring that all Contracted Deliverables have been received as per the terms of the Contract;
- (x) ensuring that all accounts are paid as per the terms of the Contract;
- (xi) ensuring that Contracts are monitored and documented in compliance with the Town's Vendor Performance System;
- (xii) ensuring all Contract renewals or extensions are processed in a timely manner, including obtaining of all necessary forms, approvals and the execution of Contract documents by the authorized parties in accordance with this By-law;
- (xiii) serving as a member of the Bid Review Panel as required;
- (xiv) serving as a member of the Bid Dispute Panel as required; and
- (xv) serving as a member of the Contract Dispute Panel as required.

#### 5.1.4 Procurement Supervisor

Where the Procurement Supervisor is authorized to undertake any activity pursuant to this By-law, such activity may be undertaken by the Procurement Supervisor's authorized designate.

The Procurement Supervisor is responsible for:

- (a) developing, implementing and maintaining procurement policies and procedures that are consistent with this By-law and, supplementing and amending those policies and procedures as and when deemed necessary, to uphold the procurement principles set out in this By-law;

- (b) providing procurement advice and conducting market research for employees as required;
- (c) bringing forward amendments to this By-law, as necessary, to reflect developments in Canadian public procurement requirements and best practices;
- (d) managing Competitive Procurements;
- (e) serving as an observer and advisor to Bid Evaluation Committees;
- (f) serving as a member of the Bid Review Panel as required;
- (g) serving as a member of the Bid Dispute Panel as required;
- (h) serving as a member of the Contract Dispute Panel as required;
- (i) acting as the Town's representative for Co-operative Purchasing initiatives with other members of the Broader Public Sector (BPS) or private sector entities, where such involvement is determined to be in the best interest of the Town, and abiding by any Bid Call agency's terms and conditions;
- (j) establishing or utilizing a Supply Arrangement for Deliverables that are required on a regular or repetitive basis by one or more Departments;
- (k) participating in negotiations with Vendors, subject to the other provisions of this By-law;
- (l) establishing required bonding levels in consultation with the applicable Department Head;
- (m) disposing of personal property which has been declared surplus by a Department Head, if required;
- (n) in consultation with the applicable Department Head, determining whether the Contract between a Vendor and the Town shall be in the form of a formally executed Agreement or a Purchase Order;
- (o) standardizing goods and services, where appropriate and possible, in collaboration with the Department(s);
- (p) managing all communications with Bidders or potential Bidders from the time a Bid Call Document is issued until a Contract has been executed;
- (q) conducting debriefing sessions with Bidders;
- (r) issuing award letters and Purchase Orders, as required and authorized in accordance with this By-law;

- (s) ensuring that a Contract is in place and related documentation (e.g., Bonding/Letter of Credit/Certified Cheque/ Money Order, Insurance, a Certificate of Clearance from the Workplace Safety and Insurance Board (WSIB), Health & Safety Policy, project schedule, or other relevant documents) have been received prior to commencement of any work;
- (t) maintaining all procurement files and following the appropriate records retention schedule, as per the Town's Records Management/Records Classification System;
- (u) conducting training as required to inform Town employees of the requirements contained within the By-law;
- (v) monitoring compliance with the provisions of this By-law and all related policies, procedures and reporting instances of non-compliance to the Department Head(s), Treasurer, and CAO, as applicable; and
- (w) oversight of the Town's Vendor Performance System, including the tracking and record keeping of all associated forms and Vendor ratings.

## **5.2 BID EVALUATION COMMITTEE (BEC)**

Request for Proposals or Request for Prequalification Bid Call Documents shall clearly define the evaluation criteria and evaluation rating from which a successful Bidder(s) shall be selected. A Bid Evaluation Committee (BEC) shall evaluate each Bidder using a standardized form of evaluation record.

The BEC shall be comprised of a minimum of three (3) employees, including two-three (2-3) from the User Department (one person may be from another department with some expertise or insight into the subject matter). For Procurements greater than \$250,000.00 in Procurement Value, one additional delegated employee from the Finance Department is required. This employee will act as a financial resource to the BEC and assist with oversight of the Bid review process.

## **5.3 BID REVIEW PANEL (BRP)**

The Town's Bid Review Panel (BRP) is responsible for reviewing and making determinations in respect of significant Bid irregularities in Competitive Procurements and other procurement-related issues referred to the BRP by the Procurement Supervisor. (Note, procedures required for minor and major Bid irregularities are outlined in the Bid Irregularities Section of the Procurement Services Policies and Procedures Manual.)

The BRP shall be comprised of the Procurement Supervisor, Treasurer, applicable Department Head, and Town Solicitor.

In the case of a non-award, the applicable Department Head shall outline the BRP's

decision not to award to the Top-Ranked Bidder, and to either award to the next highest ranked Bidder or to cancel the Bid Call process.

Any non-award shall be included in the Treasurer's regular Procurement Summary Reports to Council.

An informational Council Report is required from the applicable Department Head for any cancellation of a Bid Call process with a projected Procurement Value greater than \$250,000.00, excluding taxes, or if otherwise required by Council or recommended by the CAO. See Section 9.1 Cancellation of a Standard Procurement (Bidding Process).

## **PART 6: PROCUREMENT VALUE**

### **6.1 PROCUREMENT VALUE**

In order to ensure that the procurement process is conducted in accordance with this By-law, it is important to accurately estimate the Procurement Value.

- 6.1.1 The estimated procurement dollar value for Deliverables includes all premiums, fees and commissions under the entire term of Contract including any option years (excluding taxes). This value determines the financial threshold as set out in Schedule B.
- 6.1.2 Subdividing, splitting or otherwise structuring procurement requirements or contracts in order to reduce the Procurement Value or in any way circumvent the requirements or intent of this By-law is not permissible.

## **PART 7: PROCUREMENT METHODS**

The methods of procurement of Deliverables shall be in accordance with the methods described in this Section, as recommended by the Procurement Supervisor, and shall be advertised, reported, approved and a Contract executed in accordance with Schedule B.

Advertising of a Bid Call shall be in compliance with the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), and Canadian Free Trade Agreement (CTA), where applicable.

### **7.1 SOURCING**

Sourcing may be used in circumstances where the internal information available regarding either the type of procurement that is required or the capabilities of the market to deliver the requirement is insufficient.

Sourcing allows the Town to gain information from the supplier community in an open and transparent manner. Sourcing processes are not intended to result directly in the procurement of deliverables, but rather to inform a future procurement. The language used in these documents will ensure there is no obligation on the part of the Town to proceed with any further procurement process.

#### **7.1.1 Request for Information (RFI)**

A Request for Information (RFI) may be used to gather general Vendor or product information. This method may be used when researching a contemplated procurement and the characteristics of an ideal solution are still unknown.

Responses to an RFI may contribute to the preparation of a Bid Call Document. An RFI should be utilized for resolving targeted questions about the required acquisition, seeking combinations of industry leading practices, suggestions, expertise and reciprocate concerns and additional questions from Bidders.

#### **7.1.2 Request for Expression of Interest (RFEI)**

A Request for Expression of Interest (RFEI) may be used to gather information regarding the interest of the Vendor community for a potential business opportunity and/or Vendor capabilities or qualifications to complete a desired outcome. Information collected may also facilitate the selection of the best method of procurement. It will not be used to pre-qualify bidders or restrict participation in a future procurement process.

## 7.2 STANDARD PROCUREMENT METHODS

A Standard Procurement Method is the acquisition of Deliverables through the applicable procurement process described in this Section and in Schedule B. All Standard Procurement Method processes shall be approved, conducted and reported in accordance with this By-law and all applicable policies and procedures.

### 7.2.1 Low Value Purchase (LVP)

Departments may acquire Deliverables with an estimated Procurement Value within the applicable threshold set out in Schedule B. The CAO, Treasurer, and Department Heads may authorize specific employees within their Department to make Low Value Purchases (LVPs) through assigning spending authority limits.

LVPs are at the discretion of the applicable Department Head, and the Department Head is responsible and accountable for LVPs made by employees within their Department.

LVPs may be made using a Purchasing Card, issuance of a Purchase Order, petty cash, or through authorization of a quotation or invoice.

A Competitive Process is not required for an LVP, however, Department Heads shall ensure that LVPs are made at fair market value.

### 7.2.2 Competitive Procurement (Bidding)

Deliverables with a Procurement Value between the threshold for an LVP and the threshold for Open Competition (see Schedule B) and not available through an existing Supply Arrangement, shall be purchased through a Competitive Process in the form of an Informal Request for Quotations (IRFQ) or formal Request for Quotations (RFQ).

Where the procurement is particularly complex or the market conditions warrant it, the Department Head should consult with Procurement Services to determine if an Open Competition (publicly posted) should be conducted. This has particular merit when a Department Head is unable to determine a sufficient list of qualified Vendors for the Invitational Competition.

Any irregularities in the Bids/Proposals received in this Section shall be dealt with in accordance with the Bid Irregularities Section of the Procurement Services Policies and Procedures Manual.



(a) Invitational Competition - Informal Request for Quotations (IRFQ)

Either a Department Head or Procurement Services, at a Department Head's request, may conduct an Invitational Competition by issuing an Informal Request for Quotations (IRFQ) to a minimum of three (3) qualified Vendors.

An IRFQ shall be called for when:

- (i) three (3) or more sources are considered capable of completing the project;
- (ii) the specifications/scope of work are clearly able to be defined and identified;
- (iii) invoice instructions are clearly able to be defined and identified;
- (iv) the market conditions are such that Bids can be submitted on a competitive pricing basis;
- (v) the project has been approved in the Annual Operating Budget or Capital Budget by Council;
- (vi) the evaluation is predominantly made on price and delivery requirements; and
- (vii) all Bids are submitted on a competitive pricing basis, and therefore the award of the Contract shall be given to the lowest responsive and responsible Bidder.

Where a Vendor advises of their inability to Bid on the IRFQ, they shall submit a No-Bid and this shall be counted as one of the three (3) required quotation responses.

Where three (3) qualified Vendors have not responded to the IRFQ and there are other sources available, additional Vendors shall be added to the Invitational Competition until three (3) qualified Vendors have responded.

Exceptions:

Where only two (2) qualified Vendors have responded to the IRFQ and there is an inability to obtain a third quotation, a Department Head shall confirm that the two (2) quotations received are the only two available responses after following the Invitational Competition process outlined above and the prices are competitive. If Procurement Services agrees with the above, then an award may be made to the lowest responsive and responsible Bidder. If Procurement Services does not agree with the justification, then they may assist in the broadening of the Invitational Competition through an Open Competition in the form of an RFQ or RFT.

(b) Open Competition (Request for Quotations/Tenders/Proposals)

Where the estimated Procurement Value is at or above the applicable threshold set out in Schedule B, Procurement Services shall conduct an Open Competition that involves the public posting of a Bid Call on the Town's prescribed electronic tendering site and other forms of media deemed appropriate by Procurement Services. All Open Competitions shall be managed by Procurement Services and conducted in accordance with this By-law and all applicable policies and procedures.

The Procurement Supervisor, in consultation with a Department Head, shall determine the appropriate form of Bid Call Document in accordance with the Competitive Procurement procedures.

Open Competitions may include a one or two-stage procurement process.

Request for Pre-qualification (RFPQ)

In this two-stage procurement process, a Bid Call in the form of a Request for Pre-Qualification (RFPQ) is publicly posted for the purpose of soliciting and evaluating submissions from all interested Bidders in order to establish a short-list of pre-qualified Bidders that shall be eligible to submit a Bid in response to a second-stage Bid Call such as an RFQ, RFT or RFP.

If an RFPQ was used first to prequalify a select group of Bidders, only the selected pre-qualified Bidders shall be notified about the second Bid Call.

Request for Quotations (RFQ) or Request for Tenders (RFT)

In a one-stage procurement process, a Bid Call in the form of a Request for Quotations (RFQ), Request for Tenders (RFT), or Request for Proposals (RFP) is publicly posted for the purpose of selecting the lowest Bidder or highest-ranked Bidder.

A Request for Quotations (RFQ) or Request for Tenders (RFT) shall be used when:

- (i) two or more sources are considered capable of supplying the Deliverables;
- (ii) the specifications/scope of work are clearly able to be defined and identified;
- (iii) invoice instructions are clearly able to be defined and identified;
- (iv) the market conditions are such that Bids can be submitted on a competitive pricing basis;
- (v) the project has been approved in the Annual Operating Budget or Capital Budget by Council;

- (vi) the evaluation is predominantly made on price and delivery requirements; and
- (vii) all Bids are submitted on a competitive pricing basis, and therefore the award of the Contract shall be given to the lowest responsive and responsible Bidder.

### Request for Proposals (RFP)

A Request for Proposals (RFP) shall be used when:

- (i) the specifications/scope of work are not able to be clearly defined and identified or may require the Bidder to further define them;
- (ii) the specifications/scope of work are non-standard or specialized in nature;
- (iii) the Town is looking for Bidders to provide alternate options or solutions for the delivery of complex Deliverables;
- (iv) invoice instructions are clearly able to be defined and identified;
- (v) the selection of a Bidder depends more upon the effectiveness of the proposed solution rather than the price alone; and
- (vi) the project has been approved in the Annual Operating or Capital Budget by Council.

This process may involve negotiations subsequent to the submission of proposals on any or all of the specifications, contract terms, and prices.

## **7.3 ALTERNATIVE PROCUREMENT METHODS**

### **7.3.1 Types of Alternative Procurement Methods**

Alternative Procurement Methods involve the acquisition of Deliverables through methods other than the Standard Procurement Method normally required for the type and value of the required Deliverables. The methods may include Non-Competitive Procurement or Limited Competitions.

#### **(a) Non-Competitive Procurements**

Deliverables are acquired directly from a particular Vendor without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required. Non-Competitive Procurements include sole sources and single sources.

#### **(b) Limited Competitions**

Bids are solicited from a limited number of Vendors when an Open Competition would normally be required.

### 7.3.2 Approval for Alternative Procurement Methods

All Alternative Procurement Methods shall be approved in accordance with this By-law and all applicable policies and procedures and are subject to the following:

- (a) the project has been approved in the Annual Operating Budget or Capital Budget by Council;
- (b) the requesting Department Head, Treasurer, or CAO, shall provide satisfactory justification to explain the reasons for the Alternative Procurement Method;
- (c) all necessary approvals and reporting shall be obtained prior to Contract award; and
- (d) any Contract award shall comply with the Contract performance and execution provisions contained in Schedule B.

### 7.3.3 Reasons for Alternative Procurement Methods

In seeking approval for an Alternative Procurement Method, the requesting Department Head, Treasurer or CAO shall provide full details to explain why the procurement fits into one or more of the circumstances:

(a) No Bid Submissions

A competitive process was conducted in accordance with the Procurement Policy and no bids were received.

(b) Sole Source of Supply

It can be demonstrated that the goods, equipment or services can be supplied only by a particular supplier and no alternative or substitute exists for the following reason such as:

- (i) The requirement is for a work of art.
- (ii) The protection of patents, copyrights or other exclusive rights.
- (iii) There is an absence of competition for technical reasons.
- (iv) The supply of the good or service is controlled by a statutory monopoly.
- (v) To ensure compatibility with existing products, or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative.
- (vi) The work is to be performed on property under a warranty or guarantee with respect to the property or with respect to the original work.
- (vii) The work is to be performed on or about a leased building and may only be performed by the lessor.

(c) Single Source of Supply

It can be demonstrated that it is in the Town's best interest to purchase the goods, equipment or services from a particular supplier for the following reason(s):

Additional Deliveries:

For additional deliveries by the original supplier of goods or services that were not included in the initial procurement, if a change of supplier for such additional goods or services.

- (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement; and
- (ii) would cause significant inconvenience or substantial duplication of costs for the procuring entity.

Urgently Required

The goods or services are urgently required due to unforeseeable events not attributable to SNB or the Client(s) and the goods or services cannot be obtained in a timely manner through an open procurement process.

Commodity Market

The procurement of goods on a commodity market.

Prototype or original concept

The good or service is a prototype or a first good or service to be developed in the course of or for a particular contract for research, experiment, study or original development. This justification applies only to the contract for the development of the good or service and not to the subsequent procurement of the developed goods or services.

Exceptionally Advantageous Circumstances

Good are to be procured under exceptionally advantageous circumstances that only arise in the very short term, such as liquidation, bankruptcy or receivership, but not for routine purchases.

Design Contest Winner

The award of a contract to a winner of a design contest provided that:

- (i) the contest has been organized in a manner that is consistent with the principles of the trade agreements, in particular relating to the publication of a notice of intended procurement; and

- (ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner.

Public Bodies

The procurement of goods and services from a government or government-funded body.

Third Party

The procurement of goods or services procured on behalf of an entity that is subject to neither the act nor a trade agreement.

For Commercial Sale or Resale

The procurement of goods or service intended for commercial sale or resale, or for use in the production or supply of a good or service for commercial sale or resale.

Philanthropic

The procurement of goods or services from a philanthropic institution or goods manufactured by or services provided by incarcerated persons or persons with disabilities.

Confidentiality

The procurement of goods or consulting services regarding matters of a confidential or privileged nature, if the disclosure of those matters through an open competitive bidding process could reasonably be expected to compromise government confidentiality, cause economic disruption or otherwise be contrary to the public interest.

Non-Profit Organizations

The procurement of goods or services from a non-profit organization, provided the procurement is not covered by CETA.

**7.4 OTHER DEFINED PROCUREMENT PROCESSES**

7.4.1 Emergency Purchases

a) Declared Emergency

In the case of an emergency declared pursuant to the Town's Emergency Response Plan, purchases shall be authorized as set out in such Plan, and the Treasurer shall prepare the required accountability and financial reports for Council for information following the declaration of the termination of the emergency.

During such emergency, this By-law shall serve only as a reference for those officials in authority during such emergency, and is otherwise suspended for all procurement directly or indirectly related to addressing and managing such emergency. The

overriding objective in such an emergency shall be to address the emergency as quickly and safely as possible so as to protect human life, while minimizing costs to the Town.

b) Non-Declared Emergency

In emergency circumstances occurring outside of an emergency declared pursuant to the Town's Emergency Response Plan, Deliverables may be purchased on an emergency basis if time does not permit the use of a Standard Procurement Method due to an unforeseeable situation or event that is determined by the CAO to be a threat to any of the following:

- (i) public health and/or safety;
- (ii) the maintenance of essential Town services or to prevent the disruption of essential Town services;
- (iii) the welfare of persons or of public property; or
- (iv) the security of the Town's interests.

In such circumstances, upon the direction of the CAO, a Department Head or the Procurement Supervisor is authorized to secure any Deliverables required in an efficient, expeditious manner that is in the best interest of the Town:

- (i) a Purchase Order shall be issued or a Purchase Card shall be used. In the case of an after-hour emergency, if a Purchase Card is not available, a Purchase Order shall be issued the next Working Day.
- (ii) The approval thresholds are as set out in Schedule B.

Reporting to Council:

As soon as possible after the emergency situation has been addressed, the CAO may submit a report to Council explaining the reasons for the actions taken in connection with any emergency purchase with a Procurement Value of \$50,000.00-\$250,000.00, excluding taxes.

As soon as possible after the emergency situation has been addressed, the CAO shall submit a report to Council explaining the reasons for the actions taken in connection with any emergency purchase with a Procurement Value greater than \$250,000.00, excluding taxes.

**7.5 CO-OPERATIVE PROCUREMENT / PIGGYBACK**

The Town may participate in Co-operative Procurement with other government agencies or public authorities where it is in the best interest of the Town to do so.

The terms of reference of the York Purchasing Co-operative and any other

originating Co-operative shall form the basis of accepted policy and procedures when participating in, or calling, Co-operative Bid Calls.

The Town may Piggyback by accepting the results of a Competitive Procurement process of another government agency or public authority where the provisions of the original Bid Call allow for such Piggyback. The Town may also allow other governmental agencies or public authorities to Piggyback onto Contracts established by the Town.

If the Town decides to participate in a Co-operative Procurement (Joint) or Piggyback Contract, then the policies and procedures of the government agencies or public authorities calling the Bid on behalf of the participants are to be the accepted policy and procedures, even if they conflict with this By-law.

Co-operative and Piggyback Procurements shall comply with the reporting, approval and Contract requirements set out in Schedule B.

## **7.6 UNSOLICITED BIDS/PROPOSALS**

Any unsolicited offer or proposal for the supply of Deliverables received by the Town may be reviewed by the relevant Department Head and the Procurement Supervisor. Any procurement activity resulting from the receipt of an unsolicited offer or proposal shall comply with this By-law.

## **7.7 IN-HOUSE BIDS**

The Town may submit a price quotation to compete with external entities for procurement opportunities.

## **7.8 NO COST PROCUREMENT**

No Cost Procurement occurs where the Town does not bear any cost (expense or capital expenditure) for the procurement of Deliverables. This type of procurement activity includes revenue generating opportunities and cost pass-through to a third party for a particular project.

Revenue generating opportunities shall be acquired by the Town using the same Procurement Methods and approval requirements according to the dollar amount thresholds in Schedule B that has a cost to the Town, which shall be determined based on an actual value (if available) or reasonable estimate of the value/expected revenue of the No Cost Procurement.

Cost pass-through to a third party where the third party is covering less than one hundred percent (100%) of the total costs for a particular project shall be acquired by the Town using the same Procurement Methods and approval requirements according to the dollar amount thresholds in Schedule B for procurements that have a cost to the Town, which shall be determined based on an actual value (if available) or reasonable estimate of the value/expected revenue of the No Cost Procurement. Full cost coverage by a third party is dealt with in Schedule A.



## **7.9 DEVELOPMENT CHARGE PROCUREMENT**

Development Charge Procurement occurs where a Deliverable or other works are being constructed on private or public lands, which Deliverable shall be acquired, delivered to, or assumed by the Town, and such Deliverable is eligible under the Development Charges Act, S.O. 1997 c. 27 for credit from the Town's Development Charge reserve.

In order to ensure transparency and best value for service, before the commencement of any such project, any party that may or shall seek credit for such Deliverable shall ensure that a competitive bid process is engaged as necessary using the same Procurement Methods and approval requirements according to the dollar amount thresholds in Schedule B for Standard Procurements that have a cost to the Town, which shall be determined based on an actual value (if available) or reasonable estimate of the value. The developer may manage the competitive bid process, with input, assistance and approval from the Town as required.

Any such credits for any such Deliverable to be acquired, delivered to, or assumed by the Town shall be managed and disbursed:

- a) In accordance with the Development Agreement, Subdivision Agreement, or other similar Agreement authorizing such Deliverable; and
- b) Not before the Town has assumed such Deliverable.

## **PART 8: PROCUREMENT APPROVALS AND DELEGATED AUTHORITIES**

### **8.1 REQUIREMENT FOR APPROVED FUNDING**

- 8.1.1 The beginning of the procurement process commences with the establishment and approval by Council of the Annual Operating and Capital Budgets for the Town.
- 8.1.2 Subject to Subsections 8.1.3 and 8.1.4, any requirement in this By-law for approved funds means that sufficient funds are available in the appropriate account(s) of the Council approved Budget.
- 8.1.3 Pending Council's approval of proposed budgetary estimates, Department Heads with the approval of the Treasurer, are authorized to incur operating expenditures of up to 50% of the value of the previous year's approved Operating Budget.
- 8.1.4 Where Deliverables are routinely purchased on a multi-year basis and, in the opinion of the relevant Department Head(s), the requirement for the Deliverables shall continue to exist in subsequent years, the requirement for approved funding for a multi-year contract means:
- (a) the identification and availability of sufficient funds in appropriate account(s) of the Council approved Budget for the current year; and
  - (b) in the opinion of the Treasurer, the required funding can reasonably be expected to be made available in the Council approved budget for the subsequent years.

### **8.2 AUTHORITY TO INITIATE A PROCUREMENT**

- 8.2.1 No release of any Bid Call may be undertaken unless approved funding in an amount sufficient for the estimated Procurement Value is available, **or**, in the case of operational services, the required funding will be made available in the next year's Operating Budget and can reasonably be expected to be made available in future years for any proposed multi-year contracts.
- 8.2.2 Department Heads may authorize requisitions to purchase Deliverables up to the level of their approved Budgets.
- 8.2.3 The acquisition of Deliverables that are deemed by a Department Head to be necessary, but that are not in the approved Budget, shall be pre-approved by Council prior to the release of any Bid Call.
- 8.2.4 Unless specifically permitted under this By-law, Department Heads are not permitted to procure Deliverables or engage with potential Vendors regarding the procurement of Deliverables without the involvement of Procurement Services.

### **8.3 AUTHORITY TO AWARD AND ENTER INTO A CONTRACT**

#### **8.3.1 Delegated Authority**

The Thresholds and Approvals defined in Schedule B sets out the Delegated Authorities for:

- (a) approving the award of a Contract; and
- (b) signing an agreement and/or issuing a Purchase Order evidencing a Contract.

#### **8.3.2 Conditions of Delegated Authority**

The Delegated Authorities are subject to the following conditions:

- (a) No Contract award may be approved unless approved funding in an amount sufficient to cover the Procurement Value is available and the procurement process was conducted in accordance with this By-law and all applicable policies and procedures;
- (b) No Contract may be entered into, either through the issuance of a Purchase Order or the execution of a legal agreement, unless approved funding in an amount sufficient to cover the Procurement Value is available and the procurement has been approved in accordance with this By-law and all applicable policies and procedures; and
- (c) Where a Contract is to be awarded through a Standard Procurement Method, the Contract shall be awarded to the Top-Ranked compliant and responsible Bidder.

The Delegation of Authority does not apply to a Contract requiring Council approval under Subsection 8.3.3 of this By-law.

#### **8.3.3 Council Approval Required**

Council approval for the award of a Contract is required under any of the following circumstances:

- (a) Council approval is required based on the Procurement Value and Method selected, as set out in Schedule B;
- (b) all of the conditions of delegated procurement authorities, as set out above in Sections 8.1, 8.2, and 8.3.1 and 8.3.2 have not been met;
- (c) Council has previously directed employees to seek Council approval for the award of the Contract;
- (d) the CAO has directed employees to obtain Council approval for the award of the Contract;

- (e) there is an irregularity or unresolved challenge in connection with the procurement and, in the opinion of the BRP, the award of the Contract is likely to expose the Town to significant legal, financial or reputational risk;
- (f) the procurement does not fully comply with this By-law;
- (g) the Contract requires approval from the Ontario Municipal Board;
- (h) the Contract is prescribed by statute or by court order to be made by Council;
- (i) where there is no provision in the Town's Annual Operating and Capital Budget for the item and the Procurement Value is greater than \$10,000.00 (excluding taxes); or
- (j) where required due to a Major Emergency.

#### **8.4 CONTINGENCY ALLOWANCES**

Where any purchase of Deliverables has been authorized under this By-law, a Department Head, Treasurer and CAO, and Council where required, may authorize disbursement of additional funds provided that such additional funds shall not exceed ten percent (10%) or other defined percentage as approved by Council, of the original Contract price, excluding taxes, and provided that the additional funds are required to complete the work set out in the original Contract.

Where the contingency amount is spent for any Contract, such deviation shall be reported in the Treasurer's regular Procurement Summary Report to Council.

#### **8.5 AUTHORITY TO APPROVE CONTRACT AMENDMENTS (CHANGE ORDERS)**

8.5.1 During the course of a Contract, additional work may arise that could not be anticipated during the project planning process. Contract amendments for the addition or removal of work, services, material quantities or other matters may be approved if the adjustment is for work that is directly connected or incidental to the original Contract scope. Contract amendments shall not be used to circumvent the need to procure additional Deliverables that are not within the scope of the original contract through a Standard Procurement Method in accordance with this By-law and all policies and procedures.

All amendments to an existing Contract shall be appropriately documented through the use of written Change Orders signed by the Department Head or designate and the applicable Vendor.

##### **8.5.2 Contract Amendments (Cost Neutral)**

Contract amendments that are cost neutral can be approved by a Department Head, provided that the amendments do not result in the improper expansion or significant alternation of the scope of work from what was contemplated under the terms of the

Contract and/or the original Bid Call Document.

8.5.3 Contract Amendments (\$0.00 - \$50,000.00, excluding taxes)

If a Contract amendment results in a net increase or decrease to the approved Contract price, a Department Head is authorized to approve the amendment provided:

- (a) the individual amendment does not exceed \$50,000.00, excluding taxes;
- (b) approved funding in an amount sufficient to cover the increase, if any, to the Contract price is available; and
- (c) the amendment does not result in the improper expansion or significant alteration of the scope of work from what was contemplated under the terms of the Contract and/or the original Bid Call Document.

Such deviation shall be reported in the Treasurer's regular Procurement Summary Report to Council.

8.5.4 Contract Amendments (\$50,000.01-\$250,000.00, excluding taxes)

If a Contract amendment results in a net increase or decrease to the approved Contract price, the Department Head, CAO, and Treasurer are authorized to approve the amendment provided:

- (a) the individual amendment does not exceed \$250,000.00, excluding taxes;
- (b) approved funding in an amount sufficient to cover the increase, if any, to the Contract price is available; and
- (c) the amendment does not result in the improper expansion or significant alteration of the scope of work from what was contemplated under the terms of the Contract and/or the original Bid Call Document.

For Sections 8.5.3 and 8.5.4, the CAO and Treasurer may authorize Contract Amendments that result in an increase to the original Contract price above the approved contingency amount (typically 10% of the Awarded Contract Value), where justified, and only for Contracts that did not require Council approval.

Such deviation shall be reported in the Treasurer's regular Procurement Summary Report to Council.

8.5.5 Contract Amendments (Greater than \$250,000.00, excluding taxes)

Council approval for each Contract amendment is required under the following circumstances:

- (a) the individual amendment is in an amount greater than \$250,000.00, excluding taxes;
- (b) individual or aggregate amendments result in an increase to the original Contract price above the approved contingency amount (typically 10% of the Awarded Contract Value).

Council may approve (a) and (b) as above provided:

- (i) approved funding in an amount sufficient to cover the increase to the Contract price is available; and
- (ii) the amendment(s) do not result in the improper expansion or significant alteration of the scope of work from what was contemplated under the terms of the Contract and/or the original Bid Call Document.

Such deviation shall be reported in the Treasurer's regular Procurement Summary Report to Council.

## **8.6 AUTHORITY TO APPROVE CONTRACT EXTENSIONS**

### **8.6.1 Standard Contract Term**

The Town's standard contract term for multi-year contracts is three (3) years (original term of contract), plus two (2) additional one-year terms if applicable.

Contract terms beyond a total of five (5) years shall only be considered for extraordinary reasons and must be pre-approved by Council (e.g. Waste Collection).

### **8.6.2 A Department Head may approve available option years (Contract extensions) of a Contract beyond the original term of the Contract subject to the following conditions:**

- (a) the Department Head has delegated authority to extend the Contract according to Schedule B, or has been delegated authority if the Contract was originally approved by Council and this request was made of Council at the time;
- (b) the option year(s) for the extension of the Contract have been provided for in the original Bid Call Document;
- (c) the Vendor has a "Fully Meets" rating as determined by the Town's Vendor Performance System, if applicable;
- (d) approved funding is available; and
- (e) the Vendor agrees to the original Bid Call Document terms and conditions for the option year(s).

### **8.6.2 Council approval for a Contract extension is required if any of the above circumstances cannot be met.**

8.6.3 Any Contract extension where the option years were not clearly identified in the Bid Call Document is considered a Non-Competitive Procurement and shall be approved as an Alternative Procurement in accordance with Schedule B.

## **PART 9: VENDOR RELATIONS AND CONTRACT MANAGEMENT**

### **9.1 CANCELLATION OF A STANDARD PROCUREMENT (BIDDING PROCESS)**

Where the deadline for submission of Bids has passed and Bids have been received, an Open Competition shall not be cancelled without the approval of the BRP and Council if required.

The Procurement Supervisor may cancel a Bid Call where:

- a) no Bids were received in response to the Bid Call or none of the received Bids were from a responsive and/or responsible Bidder, as determined by the BRP;
- b) the prices contained in all of the compliant submitted Bids in response to the Bid Call exceed the approved budget amount for the project or purchase, and the Department Head wishes to rebudget the project for the following year or change the scope of work and issue a new Bid Call;
- c) requested by the Department Head responsible for the Bid Call with cause;
- d) a material change in the scope of work or specifications is required and a new Bid Call should be issued according to the Procurement Supervisor;
- e) the Deliverables to be provided by the Bid Call are no longer required by the Town;
- f) in the opinion of the Procurement Supervisor, the integrity of the Bid Call has been compromised or the procurement process was materially flawed; or
- g) other (e.g. failure to award within the irrevocable period as directed).

A Council Report is required from the Department Head for any cancellation of a Bid Call with a projected value greater than \$250,000.00, excluding taxes, or if otherwise required by Council or recommended by the CAO.

### **9.2 DEBRIEFINGS**

Unsuccessful Bidders may request a debriefing in accordance with the instructions in the Bid Call Document. If a debriefing is requested, it should be scheduled by Procurement Services in consultation and co-operation with the applicable Department as necessary. Debriefings shall not take place until after a Contract has been entered into with the successful Bidder and notification of the outcome of the Competitive Procurement has been issued or posted.

### **9.3 BID DISPUTE PANEL (BDP)**

In the event of a dispute regarding any matter relating to a Competitive Procurement, the Town's Bid Dispute Panel (BDP) shall use reasonable efforts to expeditiously



resolve the dispute.

The BDP shall be comprised of the Procurement Supervisor, applicable Department Head, Treasurer and Town Solicitor.

#### **9.4 CONTRACT AWARD / FINALIZATION**

##### Competitive Process without Negotiation

Where the Bid Call Document does not provide for negotiation of a Contract with the successful Bidder, the successful Bidder shall enter into the form of Contract included in the Bid Call Document or the Town's standard Contract based upon the project type. Once all required approvals have been obtained in accordance with the By-law, Procurement Services shall notify the successful Bidder and arrange for the execution of a Contract by the successful Bidder in accordance with the process set out in the Bid Call Document.

##### Competitive Process with Negotiation

Where the Bid Call Document provides for the negotiation of a Contract with the successful Bidder, Procurement Services, with the co-operation of the applicable Department Head, shall conduct negotiations in accordance with the negotiation process set out in the Bid Call Document. In an Open Competition, negotiations shall be conducted in consultation with Procurement Services. All required approvals shall be obtained in accordance with the By-law prior to finalizing a Contract.

##### Responsible Bidder

During the consideration of award of Contracts, or during consideration to determine whether a Bidder is a responsible Bidder, the Town may consider, among other items: previously completed Vendor evaluations, past performance, and performance evaluation reports.

##### Non-Award

Where the BRP and Council, if required, are of the opinion that an award to a Bidder would undermine the business reputation of the Town or the public's confidence in the integrity of the Town's procurement process, a Bidder may be deemed not responsible and disqualified from the procurement process (e.g. a Bidder convicted of criminal activity, bid-rigging, anti-competitive practices, or other activities that are meant to undermine the procurement process whether at the Town or elsewhere).

An award may not be issued where the BRP has determined that the provisions of this By-law have not been adhered to (e.g. Conflict of Interest).

### Contract Documentation Requirements and Execution

The Procurement Supervisor in consultation with the applicable Department Head and the Town Solicitor, if required, shall have discretion over determining whether the terms and conditions between the successful Bidder and the Town shall be set out in a written agreement, and if so, the type of agreement required, and/or a purchase order issued.

A successful Bidder may be required to submit additional documentation prior to execution of a Contract, including but not limited to: Bonding/Letter of Credit/Certified Cheque/ Money Order, Insurance, a Certificate of Clearance from the Workplace Safety and Insurance Board (WSIB), Health & Safety Policy, project schedule, or other relevant documents. Failure to provide mandatory documentation shall be reason for non-award to a Bidder.

### Budget Funding

All purchases shall have appropriate Council approved funding for the intended purpose/use prior to any Bid Call. All required funding shall still be unspent at the time of issuing a Bid Call and therefore available at the time of Contract award.

## **9.5 CONTRACT MANAGEMENT**

9.5.1 Once the Contract has been entered into, it is essential that it be properly managed. Department Heads are responsible for all aspects of Contract Management.

The requirements in this Section apply to the management of all Contracts.

### 9.5.2 Scope Management

The scope of each Contract shall be appropriately managed to ensure that all Deliverables are properly received, payments are appropriately made, all timelines are met and any extension options are appropriately exercised.

### 9.5.3 Payments to Vendors

Department Heads are responsible for ensuring that all payments are made in accordance with an established Contract and for reviewing and approving Vendor invoices.

### 9.5.4 Performance Tracking (Vendor Performance System)

At the discretion of a Department Head, any Vendor may be subject to the Town's Vendor Performance System (VPS).

Department Heads shall ensure that the performance of Vendors is appropriately monitored and recorded in accordance with the Town's VPS, as amended.

The Department Head shall document evidence related to Vendor performance and

advise the Procurement Supervisor in writing where the performance of a Vendor has been unsatisfactory in terms of meeting Contract terms and conditions, including failure to meet specifications, performance, invoicing conditions, health and safety requirements, environmental protections, etc.

## **9.6 CONTRACT DISPUTE PANEL (CDP)**

In the event of a Contract dispute, if unable to resolve, a Department Head shall escalate the dispute to the Contract Dispute Panel (CDP), who shall use reasonable efforts to expeditiously resolve the dispute.

The CDP shall be comprised of the Procurement Supervisor, applicable Department Head, Treasurer and Town Solicitor. All members or their designate must be present for any ruling to be made.

## **9.7 CONTRACT DISPUTES**

All potential Contract disputes with Vendors shall be managed in accordance with the dispute resolution mechanisms outlined in the Contract. Where a Contract is silent on dispute resolution, a Department Head should ensure that potential disputes are proactively managed and where necessary, escalated to the CDP.

Written copies of all communications and correspondence with Vendors concerning a Contract dispute shall be maintained by the Department and Procurement Services.

## **9.8 VENDOR PROBATION OR SUSPENSION**

Vendors may be placed on probation or suspended from participating in future procurement opportunities in accordance with the Town's Vendor Performance System, as amended.

## **9.9 CONTRACT TERMINATION**

A Contract can only be terminated prior to its expiry date with the approval of the CAO, in consultation with the CDP.

Where a Contract is required pursuant to Schedule B, and the authority to execute the Contract is delegated to a Department Head, then the CAO, upon the written recommendation of the CDP, has the authority to terminate such a Contract at any time under the following circumstances:

- (a) where a Vendor is in default of terms and/or obligations under an applicable Contract and has failed to remedy such default as agreed upon during an interim evaluation meeting to address the issue;
- (b) where a Vendor commits an act of bankruptcy, a receiver is appointed on account of insolvency of a Vendor or in respect of any of its property, or if the Vendor makes a general assignment for the benefit of its creditors;

- (c) where it is discovered that the award of a Contract was induced through illegal or fraudulent means or that the Vendor has acted in violation of any federal or provincial laws during the performance of the Contract; and/or
- (d) in accordance with the termination provisions in the actual contract.

Where a Contract is required pursuant to Schedule B, and the authority to execute the Contract requires Council approval, then only Council shall have the Authority to terminate such Contract, on the advice of the CDP.

## **PART 10: RECORDS, CONFIDENTIALITY AND ACCESS TO INFORMATION**

### **10.1 RECORDS RETENTION**

All procurement activities shall be supported by appropriate documentation and all records relating to a procurement process shall be retained in accordance with the Town's Records Retention and Records Management Policies and Procedures.

### **10.2 CONFIDENTIALITY**

The Town shall ensure that information submitted in confidence by Bidders and Vendors is adequately protected. Procurement Services and Departments shall ensure that all Bids and Contracts are kept in a secure location and only accessible by those individuals directly involved with the procurement.

All Contracts, once awarded by the Town, are public documents, save and except for detailed pricing submissions (but excluding the total value of the Contract) and personal information protected under the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56, as amended.

### **10.3 ACCESS TO INFORMATION**

The disclosure of information received from Bidders or Vendors and any other procurement-related records shall only be made by the appropriate officers in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56, as amended, and any other applicable legislation.

## **PART 11: DISPOSAL OF TOWN'S SURPLUS PERSONAL PROPERTY**

### **11.1 SURPLUS PROPERTY**

11.1.1 Personal property of the Town, including but not limited to furniture, vehicles, equipment, stocks of all supplies, and other goods and materials, which are no longer used by the Town or which have become obsolete, worn out, or incapable of being used, shall be identified as surplus by the applicable Department Head.

11.1.2 No elected official, officer or employee of the Town or its local boards shall personally obtain any personal property that has been declared surplus unless it has been obtained in accordance with this By-law.

11.1.3 This By-law shall not apply to the sale or disposal of real property. See the Town's By-law #2008-057-LA, as amended or replaced, for the sale of real property owned by the Town.

11.1.4 This By-law shall not apply to the disposal of intellectual property, records, information, financial assets, or seized or confiscated property.

### **11.2 DISPOSAL OR SALE**

11.2.1 Any disposal or sale of such surplus items shall be in accordance with the provisions of this By-law where applicable and shall be disposed of using the following process:

(a) The Procurement Supervisor, in consultation with the applicable Department Head, shall first offer surplus personal property to other Departments or local boards who may submit an In-House Bid;

(b) Should any personal property remain available after the provisions of paragraph (a) have been carried out, after thirty (30) days a Department Head shall dispose of such items by one of following methods, which method is determined by the Department Head and/or Procurement Supervisor according to the potential for the highest monetary return for the personal property and the resources available to engage such a process:

(i) Sale: A document soliciting offers shall be issued and advertised on an electronic tender system, newspaper, or through a public agency such as the York Purchasing Co-operative. Offers shall be received by facsimile, electronically, or by sealed envelope, as determined by the Department Head and/or Procurement Supervisor; or

(ii) Public Auction: A Department Head and/or Procurement Supervisor shall arrange for the personal property to be sold at a public auction either conducted by the Town or a third party. A minimum bid may or may not be set and shall be determined by the Department Head and/or Procurement Supervisor with input from other Town employees as appropriate; or

- (iii) Sale or Return/Trade-in to a Vendor: Sale or trade-in of the personal property directly to a Vendor in the applicable line of business.
  - (c) Any personal property still available after the provisions of paragraphs (a) and (b) have been carried out shall be disposed of by one of the following methods:
    - (i) The Procurement Supervisor shall notify community and/or non-profit agencies, as applicable, of the Town's intent of disposal and negotiate such disposal with any groups or individuals that indicate interest in a manner that is in the best interest of the Town; or
    - (ii) Any other reasonable manner, including disposal as waste with emphasis given to recycling where possible, shall be at the discretion of the Procurement Supervisor.
- 11.2.2 Where an item or a group of similar items has been declared surplus and has a value of less than one hundred dollars (\$100.00), as determined by the applicable Department Head and Procurement Supervisor, at the discretion of the applicable Department Head, such item(s) may be disposed of in a manner alternative to, and not in accordance with, the methods set out under paragraphs 11.2.1 (a), (b), and (c).

### **11.3 RETENTION OF PERSONAL PROPERTY SCHEDULED FOR DISPOSITION**

After careful evaluation, it may be in the Town's best interest to retain personal property past the scheduled disposition date.

#### Personal Property (Not Defined as a Tangible Capital Asset (TCA))

A Department Head may retain personal property subject to the following:

- the personal property has a value less than \$10,000.00 and is not considered a Tangible Capital Asset (TCA);
- the retention of the personal property is in the best interest of the Town; and
- the Treasurer is advised of the reason for the retention of the personal property and given a revised disposition date.

#### Personal Property (Tangible Capital Asset)

The CAO and Treasurer shall approve the retention of all fleet, large equipment, and other personal property subject to the following:

- the personal property is defined as a TCA of greater than \$10,000.00;
- the retention of the personal property is in the best interest of the Town;
- there is no net increase to the Town's Fleet or Large Equipment Inventory; and
- a revised disposition date has been provided by the applicable Department Head.

Personal Property (Tangible Capital Asset) Fleet and Large Equipment Expansion

If the retention of a Tangible Capital Asset or personal property valued at greater than \$10,000.00 results in a net increase to the Town's Fleet, Large Equipment Inventory, or other, subject to the approval of the CAO and Treasurer, the retention of the personal property shall be reported to Council by the applicable Department Head.



## **SCHEDULE A - PROCUREMENT EXEMPTION LIST**

The Procurement Methods described in this By-law are not required for those items listed under the Procurement Exemption List. There are however, other procedures that shall be followed as outlined below:

### **Signing Approval:**

In addition to regular Department Head approval, the following approvals apply to all non-utility items listed in this Schedule:

- Items valued between \$50,000.01 - \$100,000.00 (excluding taxes) shall be pre-approved by the Treasurer; and
- Items valued above \$100,000.00 (excluding taxes) shall be pre-approved by the CAO and Treasurer.

### **Contracts and Performance Tracking:**

Exemption purchases are not excluded from the Vendor Performance System or the requirement of a Contract, where applicable.

### **CFTA and CETA:**

All exemptions comply with the requirements of both CFTA and CETA, and will be amended as required.

#### 1. *Training and Education*

- (a) conferences, conventions, courses, and seminars
- (b) magazines, books, and periodicals (including subscriptions thereto)
- (c) membership dues/fees, continuing education, or certification processes
- (d) facilitators and program hosts
- (e) staff development, training, and workshops (including all related equipment, resources, and supplies)

#### 2. *Town General Expenses*

- (a) payroll, benefit premiums, and employee remittances including refundable expenses
- (b) medical evaluations, consultations, or expenses required by the Town
- (c) licences and certificates (e.g., vehicle, elevators, software, etc.)
- (d) purchase or disposition of financial investments
- (e) insurance premiums and expenses
- (f) claim and litigation settlements
- (g) adjuster service expenses
- (h) grants to agencies (in accordance with any applicable Town policies)
- (i) newspaper, social media, or other media advertising/notices
- (j) Town promotional material/advertising
- (k) ancillary banking or financial services
- (l) bank charges and brokerage fees
- (m) payments regarding Real Property (e.g., financial lease payments, etc.)
- (n) tax remittances

- (o) charges to and from other governmental bodies (e.g., school boards, federal and provincial ministries/bodies/agencies, TRCA, LSRCA, etc.)
- (p) payments for employment and temporary help
- (q) petty cash replacement
- (r) corporate credit card payments with applicable authorization

3. *Professional and Special Services*

- (a) committee fees
- (b) honorariums
- (c) legal fees, expert witness/consultant fees, and other court fees/costs
- (d) appraiser
- (e) Internal and Forensic Auditor
- (f) land surveyor
- (g) real estate agent
- (h) arbitrator, mediator, and other similar professionals
- (i) postage and courier services
- (j) counselling services
- (k) Health and Social Services fees
- (l) professional medical, laboratory and pharmacy services
- (m) medical and dental fees
- (n) fire protection agreements
- (o) specialty investigations
- (p) funeral and burial expenses
- (q) specialty inspections to comply with regulations, etc.
- (r) joint ventures (e.g. partners, government agencies, developers, etc.)
- (s) cost sharing agreement appraisal by Council
- (t) investment as recommended by the C.A.O. and Treasurer
- (u) events or programs supporting non-profit organizations
- (v) Town-sponsored employee purchase plans
- (w) suppliers and entertainers for special events and programs
- (x) goods, services, or construction where one hundred percent (100%) of the total cost is being paid by or reimbursed by a third party

4. *Utilities*

- (a) utility charges – including: water, sewer, electricity, natural gas/propane, telecommunication services, internet, cable television, maintenance charges, utility relocations, utility construction, and utility acquisition

5. *Real Estate*

- (a) See By-law 2008-057-LA

## SCHEDULE B - THRESHOLDS AND APPROVALS

For the purpose of this By-law, the following are the required Procurement Methods, delegated approval authorities, reporting, and contract requirements based on Procurement Values (dollar thresholds excluding taxes).

Note, the Procurement Methods listed below are minimum methods. Formal Request for Tenders and Request for Proposals Bid Calls may be used for any dollar thresholds at the discretion of the applicable Department Head. Similarly, Council approval to award may also be sought at the discretion of the applicable Department Head or CAO, when not required based on the thresholds below.

All of the thresholds are based upon Council approved budgets and the availability of sufficient funds at the time of a Bid Call release and Contract award.

All thresholds comply with requirements of both CFTA and CETA, and will be amended as required.

DOLLAR THRESHOLDS (EXCLUDING TAXES)	PROCUREMENT METHOD	SOURCE OF BIDS (ADVERTISING)	REPORTING	APPROVAL OF AWARD	CONTRACT TYPE / EXECUTION
<b>1. LOW VALUE PURCHASES</b>					
Up to \$10,000.00	Low Value Purchase (LVP)	Purchases made from the competitive marketplace where possible and practicable.  Advertising is not required.	Not applicable	Town employees as delegated by the applicable Department Head/ Treasurer/ CAO	P-Card, Purchase Order, Approved Quotation or Invoice

DOLLAR THRESHOLDS (EXCLUDING TAXES)	PROCUREMENT METHOD	SOURCE OF BIDS (ADVERTISING)	REPORTING	APPROVAL OF AWARD	CONTRACT TYPE / EXECUTION
<b>2. STANDARD PROCUREMENT (BIDS AND PROPOSALS)</b>					
\$10,000.01 to \$50,000.00	Informal Request for Quotations (IRFQ) - or - Informal Request for Proposals (IRFP) - or - Formal Request for Quotations (RFQ) - or - Formal Request for Tenders (RFT) - or - Formal Request for Proposals (RFP)	Advertising based on Informal or Formal Bid Type  a) Informal Bidding - obtain a minimum of three (3) written quotes; advertising <u>not</u> required  b) Formal Bid Call (RFQ)/(RFT)/(RFP) advertising <u>is</u> required.	Not applicable	Department Head	Purchase Order and/or Agreement if applicable  Agreement executed by the applicable Department Head
\$50,000.01 to \$250,000.00	Formal Request for Tenders (RFT) - or - Formal Request for Proposals (RFP)	Advertising is required	Informal Report to CAO and Treasurer	CAO and Treasurer	Purchase Order and Agreement (executed by the applicable Department Head as delegated by CAO and Treasurer)
\$250,000.01 or over	Formal Request for Tenders (RFT) - or - Formal Request for Proposals (RFP)	Advertising is required	Council Report from the applicable Department Head	Council	Purchase Order and Agreement executed by the Mayor and Town Clerk as per Council direction, or delegated authority to Department Head by Council

DOLLAR THRESHOLDS (EXCLUDING TAXES)	PROCUREMENT METHOD	SOURCE OF BIDS (ADVERTISING)	REPORTING	APPROVAL OF AWARD	CONTRACT TYPE / EXECUTION
<b>3. EMERGENCY PURCHASES (NON-DECLARED)</b>					
Up to \$50,000.00	Not applicable	Advertising not required	Informal report to CAO and Treasurer	Department Head or Procurement Supervisor, as applicable	P-Card or Purchase Order and/or Agreement if applicable  Agreement executed by applicable Department Head
\$50,000.01 to \$250,000.00	Not applicable	Advertising not required	CAO <b>may</b> submit a report to Council after the emergency situation has been addressed	CAO	P-Card or Purchase Order  If emergency situation permits, Agreement executed by the CAO
\$250,000.01 or over	Not applicable	Advertising not required	CAO <b>shall</b> submit a report to Council after the emergency situation has been addressed	CAO	Emergency Purchase Order and Agreement  If emergency situation permits, Agreement executed by the CAO
DOLLAR THRESHOLDS (EXCLUDING TAXES)	PROCUREMENT METHOD	SOURCE OF BIDS (ADVERTISING)	REPORTING	APPROVAL OF AWARD	CONTRACT TYPE / EXECUTION
<b>4. EMERGENCY PURCHASES (DECLARED)</b>					
See the Town's Emergency Response Plan for guidelines.					

DOLLAR THRESHOLDS (EXCLUDING TAXES)	METHOD OF PROCUREMENT	SOURCE OF BIDS (ADVERTISING)	REPORTING	APPROVAL OF AWARD	CONTRACT TYPE / EXECUTION
<b>5. NON-COMPETITIVE PROCUREMENT &amp; PROCESSES / CO-OPERATIVE &amp; PIGGYBACK (PB)</b>					
\$10,000.01 to \$50,000.00	Non-Competitive - or - Co-operative / PB - or - Other Procurement Process other than Competitive	Advertising not required	Informal Report to CAO and Treasurer	CAO and Treasurer	Purchase Order and/or Contract if applicable  Contract executed by applicable Department Head as delegated by CAO and Treasurer
\$50,000.01 or over	Non-Competitive - or - Co-operative / PB - or - Other Procurement Process other than Competitive	Advertising not required	Council Report from the applicable Department Head	Council	Purchase Order and Contract executed by the Mayor and Town Clerk as per Council direction, or delegated authority to Department Head
<b>6. SOURCING</b>					
Not applicable	Request for Expression of Interest (RFEI) - or - Request for Information (RFI)	Advertising is required in such manner as directed by the Procurement Supervisor; may be followed by another Procurement Method.	n/a	n/a	n/a
<b>7. PRE-QUALIFICATION</b>					
May be used in conjunction with another Procurement Method	Request for Pre-Qualification (RFPQ)	Advertising is required in such manner as directed by the Purchasing Supervisor	As specified in related Procurement Method	As specified in related Procurement Method	As specified in related Procurement Method