

The Corporation of The Municipality of Hastings Highlands

Bylaw 2024-035

**To Update and Adopt a Procurement Policy for the
Municipality of Hastings Highlands**

Whereas the Council of the Corporation of the Municipality of Hastings Highlands deems it desirable to provide for fair, transparent and accountable procurement policies;

And Whereas Section 271 of the *Municipal Act 2001*, c. 25 S.O. 2001, as amended, states that a municipality and a local board shall adopt policies with respect to its procurement of goods and services;

And Whereas the Municipality of Hastings Highlands is updating its procurement policies and procedures to ensure alignment with current legal standards and trade treaty obligations;

Now Therefore The Council of The Corporation of The Municipality of Hastings Highlands Enacts As Follows;

1. **That** the Council of the Municipality of Hastings Highlands hereby formally update and adopt the Procurement Policy;
2. **That** this policy is designed to be implemented in accordance with the governing legislation. Should there be any incongruences between the policy and the governing legislation, the provisions of the governing legislation will prevail;
3. **That** any former Bylaws pertaining to this matter including Bylaw 2016-024 are hereby repealed.
4. **That** this Bylaw shall become effective upon passing.

Read a first time in Council on the 1st day of May 2024.

Read a second time, **Enacted** and **Passed** in Council this 15th day of May 2024.


Tony Fitzgerald, Mayor


Suzanne Huschilt, Municipal Clerk



Hastings Highlands

Beautiful By Nature

Schedule 'A' to Bylaw 2024-035

Municipality of Hastings Highlands - Corporate Policies and Procedures			
DEPARTMENT: Finance			POLICY #:
POLICY: Procurement Policy			
DATE: May 15, 2024	REV. DATE: Nov. 20, 2024	COVERAGE: Employees, Municipal Representatives	PAGE #: 1-38

PURPOSE

1. To procure in a timely, cost-effective, and objective manner by purchasing, renting, or leasing the required quality and quantity of goods and services in an open and transparent manner that ensures fairness among bidders, while providing clear direction and accountability.
2. To encourage open competitive bidding on the acquisition and disposal of goods and services, where practical.
3. To consider total acquisition costs including quality, service, availability, and price.
4. To operate purchasing procedures for the purchase of goods and services through the Finance Department.
5. To coordinate the acquisition of like goods and services required by more than one department.
6. To ensure purchases are subject to the availability of approved budgetary allotment of funds.
7. To ensure there is regard given to the accessibility of persons with disabilities for the goods and services purchased.
8. To comply and proceed in the best interests of the Municipality in accordance with subsection 270(1) of the *Municipal Act* and applicable

trade treaties.

GENERAL

In addition to the reports required in any section of this policy, a report will be prepared by the initiating Department Head involved, in consultation with the Treasurer, and the report will be provided to Council should any of the following circumstances occur:

- 1. A substantive objection has been raised by a bidder in the procurement process to the issue of procurement of material value;
- 2. An irregularity that may preclude the award to the vendor submitting the lowest bid;
- 3. An exception to the procurement policy is sought based on a business case;
or
- 4. The Chief Administrative Officer directs that a report be prepared.

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DEFINITIONS

1.0 DEFINITIONS AND INTERPRETATIONS

For the purposes of this document, the following shall have the indicated meanings unless the context otherwise requires:

1.1 Definitions

Acquisition Process - the process of obtaining goods and services, including rental or lease;

Addendum - additional information supplied by the Municipality after the original tender, proposal or quotation call;

Bid - an offer or submission from a supplier or contractor in response to a request for tender, request for proposal or quotation, which is subject to acceptance or rejection;

Bidder - supplier or contractor who has submitted a bid;

Bid Deposit - security to guarantee that the successful bidder will enter into a formal contract with the Municipality;

Budgetary Appropriation - the monetary amount allocated by the Municipality necessary to procure goods and services annually;

CAO – the Chief Administrative Officer of the Municipality;

Contract - binding agreement between two or more parties;

Contractor - the person, firm or company to whom a general work order or contract is issued;

Co-operative Purchasing - the participation of two or more public agencies in a tender, proposal or quotation call;

Conflict of Interest - refers to a situation in which private interests or personal considerations may affect an employee’s judgement in acting in the best interest of the Municipality. It includes using an employee’s position, confidential information or corporate time, materials or facilities for private gain or advancement or expectation of private gain or advancement or the gain or advancement of any Immediate Family Member.

Council - the Council of the Corporation of the Municipality of Hastings Highlands;

Committee – a committee of the Council properly established and appointed by Council;

Department – reference to the recognized organizational structure of the Municipality’s offices commonly referred to as departments including Administration, Finance, Operations, Fire, Clerks, Planning, Building & Bylaw and such other departments as may be created from time to time;

Department Head - the head of any Municipal Department including the CAO, the Treasurer, the Operations Manager, the Fire Chief, the Municipal Clerk, the Municipal Planner, the Chief Building Official, or their designate, and any future applicable position as declared by the CAO or Council from time to time;

Elected Official – an individual elected by members of the public to sit on Council for the Municipality of Hastings Highlands;

Emergency - a situation where the immediate purchase of goods and services is essential to prevent serious delays, further damage or restore minimum service;

Employee - an employee of the Municipality but does not include Elected Officials;

Formal Quotation - quotations obtained in writing without utilization of tenders and/or requests for proposals;

Formal Request for Quotation – the procedure permitted in Section 6.0 for formal quotations to acquire goods and services;

Goods and Services - includes supplies, equipment, construction, maintenance and service contracts, consulting and professional services including architects, engineers, designers, surveyors, planners, management and financial consultants, legal representatives, real estate appraisers, education and training consultants, Ontario land surveyors, and any other consulting and professional services rendered on behalf of the Municipality, but excluding real property;

Immediate Family - parent, spouse (married or common-law), same-sex partner, child, or sibling.

Informal Quotation - means quotations obtained by telephone, fax, or in writing, without the utilization of tenders and/or requests for proposals;

Informal Request for Quotation – the procedure permitted in Section 5.0 for informal quotations to acquire goods and services;

Information Technology - software, electronic equipment or combinations thereof used to collect, store, process, communicate, protect or destroy information in all its forms;

Information to Bidders - the information given to prospective bidders in a request for tender, proposal, or quotation;

Integrity Provision - any provision in this policy that may assure that the integrity of procurement procedures will be maintained and that the interests of the Municipality, the public and the persons participating in the procurement process

will be protected;

Initiating Department – the Department that requires the procurement of goods and services for its operating purposes

Lowest Overall Cost – means a combination of price, quality, service, availability, timeliness, past experience/conduct of supplier relating to cost and other factors the Finance Department deems relevant to cost-effectiveness;

Master Framework Agreements - means an agreement entered into between the Municipality and a pre-qualified Supplier for the purposes of establishing a master agreement between the Municipality and an entity or entities conducting a procurement process for the purposes of participating in co-operative purchasing;

Municipal Act - means the *Municipal Act, 2001*, S.O. 2001, c. 25;

Municipality - the Corporation of the Municipality of Hastings Highlands;

Performance Security – Digital Performance Bond and/or Digital Labour and Materials Bond and/or an irrevocable letter of credit or acceptable collateral which can be converted into cash or any other documents as deemed necessary;

Personal Purchases - a purchase of goods or services requested by an elected official, an appointed official or by any other employee of the Municipality, the requirement for which is not for the Municipality or any of its purposes but is for the benefit and use of the person requesting the purchase;

Personal Property - any property not within the definition of real property;

Pre-Qualification - a requirement that bidders satisfy the Municipality that they have undertaken similar work or supplied similar goods and services on other tenders, proposals or quotations and that they are qualified to undertake the work requested;

Prescribed Format - a format approved by the Treasurer and/or the CAO and may be in electronic form;

Price Shopping - the practice of obtaining a bid from a potential supplier and then taking that bid to one or more other suppliers to see if they will match or beat it;

Procurement Policy – this purchasing and procurement policy (Bylaw 2024-0xx), or as from time to time amended;

Proposal – a written submission received from a supplier or contractor in response to an invitation to submit proposals to provide goods and/or services based on an approved format of the Municipality containing terms and conditions, the acceptance of which may be subject to further negotiation;

Quotation - an offer, both formal and informal, from a supplier or contractor to buy from or sell goods and services to the Municipality;

Real Property - land, land and buildings, things growing upon or affixed thereto, improvements to such land, and all rights and interests therein;

Single Source Justification - the situation where the purchase of goods and services from one specific supplier and/or contractor is approved in accordance with and for the specific reasons as provided for in this procurement policy;

Supplier - the person, firm or company to whom a form of purchased order or contract is issued;

Tender - a written offer, in a specified form, received from a supplier or contractor in response to a public invitation for tenders to provide goods and/or services based on an approved format of the Municipality containing terms and conditions;

Total Acquisition Cost - the full cost, including acquisition, operating and disposal as well as the consideration of quality, service and availability, all to determine the best acceptable tender, proposal or quotation;

Treasurer - the Municipality's appointed Treasurer, or Deputy Treasurer;

Two-Envelope System - a procurement process for proposals in which a bid is submitted in two envelopes. The technical and qualitative information is submitted in the first envelope and the price information is provided in the second envelope. The second envelope (price envelope) is opened only if the technical and qualitative information meet a predetermined minimum score requirement;

1.2 Interpretations

- a) Where an official of the Municipality is authorized to do any act pursuant to this policy, such act may be done by such official's authorized delegate.
- b) Appendices A, B, C, D, and E attached hereto are hereby incorporated in this policy.
- c) Where dollar value limits are identified for goods and services the dollar value limits listed exclude taxes.

2.0 AUTHORITY AND RESPONSIBILITY

2.1 The Finance Department

The Finance Department, under the direction of the CAO, is hereby given the responsibility of establishing and operating procurement activities on behalf of the Municipality in accordance with the requirements of this policy. The Finance Department will, in coordination with the Initiating Department(s), have the following specific responsibilities:

- a) the acquisition and disposal of goods and services including the leasing or rental of such goods and services;

- b) the development, maintenance, and monitoring of compliance with a system of purchasing;
- c) the development of cooperative purchasing plans with other levels of government and other local agencies, where deemed beneficial to the Municipality;
- d) the standardization of goods, services, and construction where practical;
- e) the co-ordination, checking and awarding of all tenders, proposals and formal quotations;

The Finance Department, under the direction of the Treasurer, shall have the following responsibilities:

- provide advice and services, including all forms for contracts, performance security and all other bid solicitation documentation required by all Initiating Departments on the acquisition process for purposes of fulfilling the procurement needs of the Municipality, regardless of purchase value;
- standardization of goods, services and construction where practical;
- disposal of goods declared surplus by a Department;
- co-operative purchasing where a financial benefit is identified; and
- such duties and responsibilities as are from time to time assigned by the CAO.

The Finance Department is hereby authorized to delegate authority of any and all responsibilities relating to procurement activities to whomever is best appropriate to assist, including third parties, so long as this policy is adhered to.

If the Municipality participates in co-operative purchasing, the Municipality may rely on the Procurement Policies of the entity or other entities leading the co-operative purchasing, provided that such Procurement Policies comply with the purposes, goals, objectives of this Bylaw and with the Municipality's obligations under applicable trade treaties. The individual policies of the government agencies or public authorities participating in the cooperative competitive bid are to be the accepted practices for that particular competitive bid.

The CAO and/or Treasurer is hereby authorized to approve Master Framework Agreements for the purposes of participating in co-operative purchasing and, when the requirement for acquisition arises, to approve the award of Contracts in accordance with such Master Framework Agreements.

2.2 Initiating Departments

Initiating Department Heads within the Municipality will be responsible to ensure that all requirements of this policy are fully understood and followed by their respective Department personnel.

2.3 Waiving of Policy

The procurement policy, in part or its entirety, may be waived by Council resolution for a specific purchase or project in the event Council determines it to be appropriate and in the best interests of the Municipality.

2.4 Budget Availability

The exercise of all authority to award a Contract is subject to the identification and availability of sufficient funds in the budgetary appropriation approved by the Council.

2.5 Procurement Value

To ensure that all purchases are conducted in accordance with this policy, it is important to accurately estimate the value of the goods or services. The value should include all costs to the Municipality, including acquisition, maintenance, replacement, disposal, training, delivery, installation and extension options, but should exclude applicable sales taxes.

3.0 ACQUISITION PROCESS

3.1 The Purchase Requisition

Where there is a requirement for goods and services by an Initiating Department, the applicable Department Head shall submit to the Finance Department a fully completed Purchase Requisition/summary of details, including a comprehensive scope of work, for all applicable goods and services or either of them which have a project value that exceeds the sum of \$50,000.

The Purchase Requisition must be approved by specified Department personnel, in accordance with Appendix D, before being submitted to the Finance Department.

All Departments shall follow the procedures of this Procurement Policy before awarding any such goods or services in accordance with each Purchase Requisition received by it.

3.2 The Finance Department

Where a requirement for goods and services has an estimated value greater than \$50,000, the Finance Department, with support of the Initiating Department, shall

obtain written quotations or proposals, monitor negotiations, evaluate bids, administer procedures, and recommend an award in accordance with the provisions of this policy.

All such purchases shall be approved by the Initiating Department Head or its authorized personnel before awards are issued to suppliers and/or contractors.

3.3 Exclusions to Procurement Policy

Those items listed in Appendix B are excluded from the procedural requirements of this procurement policy unless a Department specifically requests the procurement policy to apply. For clarification, Tenders, Proposals, Quotations, or Purchase Requisitions are not required with respect to the items listed in Appendix B.

3.4 Co-operative Purchasing

With the approval of the Treasurer and CAO, the Municipality may participate with other levels of government or their agencies or public authorities in co-operative purchasing ventures or joint contracts when the best interests of the Municipality would be served thereby.

3.5 Single Source Justification

If a Department elects a single source justification for goods and services with a project value not exceeding \$100,000, the appropriate Department Head must submit a cost-effective or beneficial justification report supporting the selection first to the Treasurer, and then upon Treasurer approval, to the CAO for final approval based on the reasons established in this Section 3.5.

Departments may request a single source justification for any one of these reasons:

- i) Technical – There is only one supplier or contractor who can meet the specifications;
- ii) Market Conditions - Only one supplier or contractor can provide the goods or services by the specified date required OR because of the nature of the good or service, it is preferable to negotiate with one supplier or contractor;
- iii) Unique Skills - A contractor or service provider has unique skills related to the nature of the service or construction, which makes it more practical or advantageous to a single source.
- iv) Cost Effective – There is documented evidence that the extension or reinstatement of an existing contract would prove most cost effective or beneficial (up to a maximum increase of 10% of the original contract, and within approved budget).

If a Department elects a single source justification for goods and services

exceeding \$100,000, the Department Head must submit a cost-effective or beneficial justification report supporting their election to Council for approval.

4.0 LOW-VALUE PURCHASES (NOT EXCEEDING \$20,000, EXCLUSIVE OF HST)

A Department Head may authorize and proceed with purchases not exceeding \$20,000 per occurrence in value upon receiving a minimum of one verbal or written quotation, provided sufficient funds are available within the Department's approved budget.

The goals in the section in this procurement policy entitled "Purpose" shall be utilized in selecting the supplier and awarding any such goods or services.

5.0 INFORMAL REQUEST FOR QUOTATIONS (BETWEEN \$20,000-\$50,000, EXCLUSIVE OF HST)

An Informal Request for Quotation procedure may be utilized for the acquisition of goods and services having a project value greater than \$20,000 but not exceeding \$50,000. An Informal Request for Quotation requires 3 quotations to be obtained from different suppliers by the applicable Department (quotations can be by phone, fax, email, and writing) without the requirement of advertising or sealed bids. The Department should use best efforts to have the specific goods and/or services specifications communicated to all selected suppliers. If desired, the Department may request the assistance of the Finance Department in obtaining the informal quotations.

Informal quotations may be used when competitive sourcing for low-value procurement would be uneconomical or would not likely attract bids.

The goals in the section in this procurement policy entitled "Purpose" shall be utilized in selecting the supplier, although utilizing an Informal Request for Quotation procedure would typically result in acceptance of the lowest bid meeting the Department specifications.

A record of all quotations obtained shall be retained by the Initiating Department.

6.0 FORMAL REQUEST FOR QUOTATIONS (BETWEEN \$50,000-\$100,000, EXCLUSIVE OF HST)

This Formal Request for Quotation procedure may be utilized for the acquisition of goods and services having a project value greater than \$50,000 but not exceeding \$100,000. A Formal Request for Quotations requires a minimum of 3 written quotations from different suppliers be obtained by the Finance Department, with support from the Initiating Department, in writing. This procedure does not require formal advertising or sealed bids, but doing so may be advantageous depending

on the nature of the good and services.

The Initiating Department requiring goods and services shall provide all pertinent information and specifications to the Finance Department to notify them of the Department's requirements, as applicable.

The Finance Department, with support from the Initiating Department, shall summarize and record the results of the Formal Request for Quotation and make a recommendation to the Initiating Department Head. The Initiating Department Head, or designate, must provide their approval of the recommendation prior to the Finance Department proceeding with an award procedure.

The goals in the section in this procurement policy entitled "Purpose" shall be utilized in selecting the supplier, although utilizing the Formal Request for Quotation procedure would typically result in acceptance of the lowest bid meeting the Department specifications.

Both the Initiating Department and Finance Department will retain and file a record of all quotations obtained and purchase orders.

7.0 QUOTATION SELECTION AND AWARD FOR FORMAL & INFORMAL QUOTATIONS

7.1 Lowest Quote and Within Budget

Where an informal quotation or formal quotation meets or exceeds specifications, terms and conditions of the Request for Quotation and offers the lowest overall cost to the Municipality and is acceptable, an award may be made, in accordance with the acquisition process, following approval from the Department Head or designate.

7.2 Lowest Quote not Recommended/Exceeds Budget

In the event that the informal or formal quotation meets or exceeds specifications, terms and conditions of the Request for Quotation and provides the lowest overall cost to the Municipality but is not recommended or is in excess of the approved budgetary appropriation, a report and recommendation by the appropriate Department Head is to be submitted to the CAO who will make a decision as to proceeding further. The CAO may choose to award or deny the purchase or require the Initiating Department Head to author a report to Council for approval consideration and award.

7.3 Single Quote Obtained

In the event that only a single quote is received which meets or exceeds the specifications and terms and conditions of the Request for Quotation and the expenditure is not in excess of the approved budgetary appropriation, the

appropriate Department Head shall report to the CAO who shall approve or deny the purchase at the CAO's discretion.

7.4 Delegation of Authority to Execute Documents (Amended by Bylaw 2024-085 Nov. 20, 2024)

Where a procurement meets the requirements of this Policy, the following individuals, or designate, are authorized to initiate expenditures, commit funds or execute the necessary contracts or agreements, including amendments thereto, necessary for the procurement of goods or services.

- a) Department Head - Where the value of the goods or services do not exceed \$20,000, the initiating Department Head is hereby authorized to initiate and/or execute the required documents necessary for the procurement of the goods or service.
- b) Department Head and Chief Administrative Officer - Where the value of the goods or services exceeds \$20,000 but does not exceed \$100,000, upon recommendation of the initiating Department Head, the initiating Department Head and Chief Administrative Officer are hereby authorized to initiate and/or execute the required documents necessary for the procurement of the goods or service.
- c) Mayor and Clerk - Where the value of the goods and services exceed \$100,000, upon contract acceptance and award by Council, the Mayor and Clerk are hereby authorized to initiate and/or execute the required documents necessary for the procurement of the goods or service.

8.0 TENDER PROCESS (GREATER THAN \$100,000, EXCLUSIVE OF HST)

Tender refers to the process of the Finance Department together with input from the Initiating Department Head formatting a Request for Tender which contains the terms, considerations, specifications, conditions, and special provisions if any (including any terms to be negotiated with a successful bidder) including the express statement that the Request is intended to be a Tender, seeking bids from suppliers in an open competitive process. A tender may be utilized when two or more sources are considered capable of supplying a clearly defined good or service on a common pricing basis with limited negotiation with a view to obtaining the lowest overall cost to the Municipality through open competitive bidding.

The Request for Tender procedure shall generally be utilized for applicable purchases of goods and services with an estimated annual or project value greater than \$100,000 and meeting the criteria set out above in this section 8.0. The Request for Tender procedure is set out in Appendix A.

In addition to the goals in the Purpose section, the specific goal for a tender is to acquire services and products at the lowest overall cost to the Municipality.

8.1 Awarding Tenders

The Initiating Department, in co-operation with the Finance Department, utilizing the evaluation procedures set out in Appendix A and in the Request for Tenders, if any, shall evaluate all tenders opened and report the tender results, including a recommendation as to which, if any, tender should be accepted all in accordance with the procedures established in Appendix A. The report provide from the Finance Department to the Initiating Department shall include:

- a) a list of the bidders and their prices quoted;
- b) an indication as to which bids do not comply with specifications, terms or conditions;
- c) any minor variances or irregularities in the tender;
- d) an indication of bids which are improper and therefore rejected;
- e) such other items required in Appendix A, if any.

8.1.1 Lowest Bid and Within Budget

Where the evaluation finds the recommended tender bid meets or exceeds specifications, terms and conditions of the Request for Tender and provides the lowest overall cost to the Municipality, the appropriate Department Head shall report the recommendation to the CAO. If in agreement with the recommendation, the CAO shall require the Initiating Department Head to author a report to Council for approval consideration and award.

8.1.2 Lowest Bid Not Recommended/ Exceeds Budget

Where the evaluation finds that a tender bid meets or exceeds specifications, terms and conditions of the Request for Tender and provides the lowest overall cost to the Municipality but is not recommended or is in excess of the approved budgetary appropriation, a report and recommendation by the Initiating Department Head is to be submitted to Council, who will make a decision as to whether a contract will be awarded.

8.1.3 Single Bid

In the event that only a single compliant bid is received, the Initiating Department Head shall report the recommendation to the CAO. If in agreement with the recommendation, the CAO shall require the Initiating Department Head to author a report to Council for approval consideration and award.

8.1.5 Tenders Greater than \$250,000

Tendered projects having a project value greater than \$250,000 are to be evaluated in accordance with Appendix A and reported on by the appropriate Department Head to the CAO. A report setting out the results of the tenders and

a recommendation as to which, if any, tender shall be accepted, is to be submitted to Council by the Initiating Department Head and endorsed by the CAO. Council shall make the decision as to awarding a contract.

8.2 Filing

A record of all tenders obtained shall be kept and filed by the Finance Department.

9.0 NEGOTIATIONS

9.1 Purchases by Negotiation

Purchases of products and services, regardless of project value, may be acquired through negotiation with the approval of the CAO and/or Council when any of the following conditions occur:

- a) Where there is only one known source of supply for the goods and services to be purchased;
- b) Where there is limited competition for supply of an essential good or service required to maintain minimum service level expectations and a competitive process will not yield savings;
- c) Where two or more identical bids are received and the evaluation process cannot differentiate a cost savings as between the bids;
- d) Where no bids are received in a competitive process;
- e) When the required product or service is covered by an exclusive right such as a patent, copyright or exclusive license;
- f) Where goods or services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a Competitive Process could reasonably be expected to compromise confidentiality, may cause economic disruption or otherwise be contrary to the public interest;
- g) Where the lowest bid received meeting specifications, terms and conditions is excessive and/or substantially exceeds the estimated budget appropriation cost and in the judgment of the appropriate Department Head or designate, it is impractical to recall tenders;
- h) Where all bids received fail to meet specifications, terms and conditions but prices are within the estimated budget appropriation and the cost in the judgment of the appropriate Department Head or designate, makes it impractical to recall formal quotations, tenders or proposals;
- i) Where the extension of an existing contract would, in the judgment of the appropriate Department Head or designate provide the lowest overall cost,

providing such extension is approved by the CAO and/or Council;

- j) Emergencies, as defined in Section 12.0;
- i) Where and to the extent the Request for Tender and/or Request for Proposal contemplates negotiation with the successful bidder or among the bidders, provided in no case shall the Municipality engage in price shopping.

9.2 Negotiation Approval

a) Negotiations Not Exceeding \$100,000

In accordance with paragraphs 9.1.a) - 9.1.i) where negotiations will be resulting in the purchase of goods and services at a project value of less than \$100,000, the appropriate Initiating Department Head shall submit a justification report supporting the recommendation first to the Treasurer, and then upon Treasurer approval, to the CAO for final approval. Once approved, the contract or award shall be completed by the Finance Department.

b) Negotiations Exceeding \$100,000

In accordance with paragraphs 9.1.a) - 9.1.i) where negotiations will result in the purchase of goods and services at a project value in the excess of \$100,000, the appropriate Initiating Department Head shall submit a report and recommendation first to the Treasurer, and then upon Treasurer approval, to the CAO. If in agreement with the recommendation, the CAO shall require the Initiating Department Head to author a report to Council for approval consideration and award. Once approved, the contract is awarded through the Finance Department.

10.0 PROPOSAL PROCESS

The Finance Department, together with input from the Initiating Department Head, shall format a Request for Proposal. The Request for Proposal may contain certain terms, considerations, specifications, conditions, evaluation criteria, and special provisions (including any terms to be negotiated with a successful bidder) including the express statement that the Request is not intended to be a Tender.

Applicable purchases may be made through the use of proposals in those specific situations where a good and/or service cannot be adequately specified and/or the Municipality has not formulated a specific plan for its needs and/or there may be subjective elements to the method of completing or designing the products and/or service and the Municipality wishes the suppliers to include in its submission the details of same for the Municipality's consideration and if selected, negotiation.

In addition to the goals in the Purpose section, the specific goal for a proposal is to select the proposal that earns the highest score based on the evaluation criteria established for the Request for Proposal based on qualitative, subjective, technical and pricing considerations to determine the successful proponent.

The scoring criteria and evaluation process shall be set out in the Request for Proposal document.

The scoring methodology and results of the scoring shall be filed with the proposal and maintained by the Finance Department.

A two-envelope system may be used for proposals when the Municipality wants to evaluate the technical and qualitative information of a given proposal without being influenced by prior knowledge of the corresponding pricing information.

10.1 Proposals Not Exceeding \$50,000

Where it has been determined that a proposal could be used and the total project value is estimated not to exceed \$50,000, the procedure for an Informal Request for Quotation set out in Article 5.0 shall be utilized instead of the Request for Proposal procedure.

10.2 Proposals Not Greater than \$50,000, But Not Exceeding \$100,000

Where it has been determined that a proposal could be used, and the total project value is estimated to be greater than \$50,000 but not to exceed \$100,000, the procedure set out in Article 6.0 (Formal Request for Quotation) shall be utilized instead of the Request for Proposal procedure.

10.3 Proposals Greater than \$100,000

Where it has been determined that proposals are to be used and the total project value is estimated to be greater than \$100,000 the procedures outlined in Appendix A shall apply to the Request for Proposal procedure with amendments necessary to accommodate the proposal process in lieu of the tender process:

- a) A selection committee shall be established consisting of representatives from the Finance Department, the Initiating Department Head or designate and any other Individual(s) who may be appointed (by the CAO and/or Treasurer), or have appropriate expertise;
- b) Proposals received shall be analyzed and tabulated by the selection committee and an award recommendation determined. A report setting out the results and recommending an award shall be submitted to the CAO. If in agreement with the recommendation, the CAO shall require the Initiating Department Head to author a report to Council for approval consideration and award.

10.4 Filing

A record of all proposals obtained shall be retained by the Finance Department.

11.0 EMERGENCY PURCHASES

Notwithstanding, any other provision of this policy, the following provisions shall only apply in case of an emergency purchase:

- a) Emergency purchase of goods and/or services may be made by the Initiating Department Head/designate when the immediate purchase is essential to prevent or alleviate:
 - i) a serious delay in essential services;
 - ii) a threat to the public health;
 - iii) safety or damage to property;
 - iv) significant risk of economic loss or disruption; and
 - v) security risks of the Municipality's property or the public interest.

Wherever feasible, the appropriate Initiating Department Head shall secure the required good or service at the lowest obtainable price.

- b) The Initiating Department Head is to notify the Treasurer and CAO immediately of the relevant information including costs associated with the emergency purchase;
- c) Where emergency purchases of goods and/or services exceed \$100,000, in addition to reporting to the CAO, a report by the Initiating Department Head is to be submitted to Council, setting out the nature of the emergency and the necessity of the action taken pursuant to this clause.

12.0 ACQUISITION OF GOODS AND SERVICES FROM GOVERNMENT BODIES AND SOLE-SOURCE SUPPLIERS

Tenders, Proposals or Quotations shall not be required for the acquisition of goods and/or services to be provided by any of the following, when similar goods and/or services are not available from another source or where an agreement between the Municipality and other Area Municipalities is in place:

- a) Hydro Electric Commissions, Telecommunications Companies, Gas Companies and Cable Companies;
- b) Provincial and Federal Government Agencies or Crown Corporations;
- c) Area Municipalities and special purpose bodies within the Municipality.

13.0 DISPOSAL OF MUNICIPAL ASSETS

- a) Any item determined to be surplus to a Department's needs will be inventoried

- by the Initiating Department Head and a description of the item with its estimated current value forwarded to the Finance Department. All surplus items shall be disposed of in accordance with the Municipality's Capital Assets Policy.
- b) The Finance Department and/or the Initiating Department will advise all other Departments of surplus items so that it can be determined if the item should be transferred to another Department for its use. The Finance Department will wait for 5 working days from the date of email communication to the Departments before proceeding with the disposal process.
 - c) If a Department wishes to make use of an item declared surplus by another Department, the item will be transferred to requesting Department and any charges for the purchase or transfer of the item will be determined by the Treasurer.
 - d) If none of the Departments shows an interest in obtaining the surplus item within five working days, the Finance Department will begin the disposal process. The Initiating Department will notify the Chief Administration Officer. The Initiating Department shall confirm one of the below-given options to the Finance Department to proceed with:
 - (i) Public Auction – Through electronic bidding platform Gov Deals or similar platforms, if any;
 - (ii) Donations to an organization; and/or
 - (iii) Destruction/Disposal
 - e) Any proceeds from the sale or disposal of Municipal assets will be credited to Sale of Surplus Equipment Revenue Account, or such other account and/or Reserve as directed by Council through recommendation by the Treasurer.
 - f) In case of the auction, the Employees, immediate family members or elected officials of the Municipality may bid on any Municipal real property providing they do not possess relevant insider information that would influence their bid activity.

14.0 PROHIBITIONS

14.1 Personal Purchases

No purchase shall be made by the Municipality for the personal use of Employees, immediate family members or elected officials or any appointed member of a Board or Commission unless specifically authorized by Council.

14.2 Conflict of Interest

Refer to Code of Conduct and Ethics Policies (Bylaw 2019-007 or Bylaw 2019-008 as applicable, or as amended).

- a) No elected official, or employee of the Municipality shall have any pecuniary or controlling interest, either direct or indirect, in any competitive bid or contract for the supply of goods or services to the Municipality, unless such pecuniary interest is disclosed by the proponent, bidder, or person submitting a bid, as the case may be, or unless such pecuniary interest would be exempt under the *Municipal Conflict of Interest Act*.
- b) Formal competitive bid documents shall include a section that requires disclosure prior to submission of the bid. Should a conflict of interest arise after the award of a contract, the conflict shall immediately be disclosed in writing to the Finance Department. Further, all competitive bid documents and agreements shall provide that in the event that a contract is awarded to a person who has not, during the bidding or contracting process, disclosed the pecuniary interest of an elected official or team member of the Municipality in the contract, the contract may be cancelled at any time by the Municipality in its entire discretion.

14.3 Authority to Contract

No Employee or elected official shall purchase or offer to purchase goods or services on behalf of the Municipality except as may be provided for in this policy.

14.4 Splitting Requirements

No requirement for goods or services including consulting or professional services shall be divided to avoid the requirements of this policy. The total project or annual requirement shall be considered when applying this policy.

14.5 Gifts

Refer to Code of Conduct and Ethics Policies (Bylaw 2019-007 or Bylaw 2019-008 as applicable, or as amended).

14.6 Employee-Employer Relationship

No contract for services shall be awarded where the services could result in the establishment of an employee-employer relationship.

15.0 VENDOR NON-COMPLIANCE

- a) Departments are responsible and shall notify the Finance Department and CAO immediately of supplier non-compliance in the performance of services for investigation and review.
- b) The CAO may elect to record and require the Finance Department to maintain a record of suspended suppliers. The CAO may suspend suppliers from participating in future procurement processes for the following reasons:

- i) where a supplier, or any person affiliated or associated with the supplier, has been convicted of a serious crime or other serious offence, including bid-rigging, price-fixing or collusion, fraud or other statutory offenses;
 - ii) where a Supplier includes false or misleading information in a bid, or where a Supplier failed to disclose a conflict of interest in connection with a procurement process or during the performance with the Municipality, and the Municipality subsequently discovered that such a conflict of interest existed;
 - iii) where the supplier does not perform adequately under a contract with the Municipality, the CAO may suspend that supplier when:
 - the deficiencies in performance were significant or persistent;
 - the contract was terminated for performance issues prior to expiry;
 - there were unrectified performance issues on a contract that resulted in extra costs to the Municipality;
 - the deliverables provided were defective or deficient, and were not replaced or repaired, or required multiple repairs; or
 - the Municipality initiated litigation against the supplier in connection with performance or non-performance of the supplier's contractual obligations.
 - iv) where the supplier has committed professional misconduct or acts or omissions that adversely affect the commercial integrity of the supplier, including:
 - unethical bidding practices, such as inappropriate offers of gifts to the Municipality's officials, officers, employees or agents;
 - failing to perform Contracts in a professional and competent manner in accordance with the duty of honest performance and all applicable laws, including safety and labour codes; or
 - engaging in litigious conduct or bringing frivolous or vexatious litigation related to the Municipality's procurement processes or contracts, including unreasonable cost or expense claims or unsubstantiated allegations impugning the integrity of the Municipality, its officers, or its employees in relation to a procurement process or contract.
- c) The Finance Department and CAO shall maintain an up-to-date list of all suspended suppliers. The CAO will send a notice of the suspension decision to the supplier, by way of a notification letter, confirming the decision to recommend suspension. The length of a suspension may not exceed four (4) years.

Any supplier that is owned or controlled by the same individual(s) that owned or controlled a suspended supplier at the time it was suspended is also considered suspended. The scope of the suspension can apply to both

corporate entities as well as individuals.

The scope of the suspension can be either a blanket suspension for all procurement processes or a suspension limited to procurement processes for specific deliverables.

- d) In evaluating tender bids or proposals, regard shall be given to the record of defaulting and/or suspended suppliers in assessing the previous experience of the suppliers with the Municipality and, in particular, consideration shall be given to the additional costs that the Municipality may need to incur to supervise and inspect work performed by these contractors and to remediate defective work. These are appropriate considerations in determining the lowest overall cost of a tender or proposal. Requests for Tenders should contain a provision to the effect that awards shall be made on tenders that will give the greatest value based on quality, service and price. Past experience with the Municipality will be given consideration in such evaluation including, but not limited to, potential risk and legal exposure.

16.0 LOBBYING RESTRICTIONS

- a) Proponents, their staff members, or anyone involved in preparing a bid, shall not engage in any form of political or other lobbying whatsoever or seek to influence the outcome of the tender process or subsequent award. This restriction extends to all staff, anyone involved in preparing a tender or participating in a tender evaluation process, and members of the council.
- b) The Municipality may reject any tender by a proponent that engages in such lobbying, without further consideration, and may terminate that proponent's right to continue in the bid solicitation process.
- c) During a tendering process, all communications shall be made through the Finance Department. No proponent or person acting on behalf of a proponent or group of proponents shall contact any elected official, consultant, or employee of the Municipality to attempt to seek information or to influence the Award.

17.0 COMPLAINTS

- a) Any external complaint on the process and procedures outlined in this policy shall be in writing and shall be submitted to the CAO for review and response.
- b) A complaint on the process and procedures related to the award of a tender, proposal or quotation must be submitted to the Treasurer within five (5) working days of the date of the award, or else shall not be considered.

18.0 ACCESS TO INFORMATION

- a) The Municipality will disclose information contained in tender documents, Bids, Contracts and any other applicable documents in accordance with the provisions of MFIPPA, any other applicable legislation, or otherwise as required by law.

19.0 ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT, 2005

- a) In accordance with Ontario Regulation 191/11 under the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA) as amended, the Municipality shall consider accessibility criteria and features when procuring or acquiring goods, services, or facilities, except where it is not practicable to do so. In which case, an explanation will be provided upon request.
- b) Contracts for the Goods and/or Services shall include the following elements:
 - i) That the vendor shall comply with all provisions and applicable regulations of the Accessibility for Ontarians with Disabilities Act, 2005, S.O. 2005, c. 11 ("AODA");
 - ii) That the vendor shall ensure that its employees are trained in providing accessible customer services. Any training or training resources must conform to the legislated requirements under the AODA; and
 - iii) That the vendor shall maintain records of AODA training, including dates when training was provided, the number of employees who received the training and individual training records. Where requested by the Municipality, the person, business or organization shall provide written proof, as well as documentation regarding AODA training policies, practices and procedures to the Municipality.

20.0 GREEN POLICY

The Municipality will endeavour to preserve and green the Municipality's environment while maintaining economic, social, cultural and community health. The Municipality is dedicated to meeting the needs of the community today while ensuring a desirable future for future generations.

21.0 LOCAL PREFERENCE

The Municipality shall endeavour to achieve the best value in its commercial transactions. Therefore, the Municipality shall not practice local preference in awarding contracts; goods and services shall not be afforded preferential treatment under this policy, or any tender Solicitation based on the location or origin of the goods and services. This allows the Municipality to comply with applicable trade agreements, and legislative, and common law requirements.

22.0 BID DEBRIEFING

- a) The purpose of debriefing is to explain to unsuccessful bidders why their submission was not accepted, allowing them to improve their future submissions and submit more competitive bids. A debriefing establishes and maintains the Municipality's reputation as a fair, honest and ethical entity,

ensuring that high-quality bidders are encouraged to make future submissions.

- b) The request for a debriefing must be made by an unsuccessful bidder to the Treasurer within ten (10) calendar days following the award of the contract being made public on the electronic bidding platform used by the Municipality.
- c) The debriefing may be conducted by the Treasurer, or designate, via telephone or in person or virtually. A debriefing may include the following, as applicable:
 - i) The name(s) of the contractor;
 - ii) The total evaluated price of the contractor against the award, if inquired;
 - ii) The total evaluated score of the bidder;
 - iv) An outline of the reasons the bidders submission was not successful, according to the evaluation criteria and selection methodology; and
 - v) Explanation of scores achieved on all rated criteria to the bidder being debriefed to understand why those scores were assigned.

23.0 REVIEW OF PROCEDURES

This Policy may be reviewed by the CAO and Treasurer at minimum every 4 (four) years in conjunction with Department Heads, to evaluate its effectiveness, to ensure the dollar values are current and to recommend changes. A report to Council shall be prepared which indicates the results of said review.

APPENDIX A: TENDER PROCEDURE

TENDER PROCEDURE

The Initiating Department, with support from the Finance Department, must carry out all procurement activities through an electronic bidding system unless there are imperative circumstances to use paper-based procurement. The acceptance of this exception is after completing the due diligence of the facts in agreement with the Finance Department.

The Municipality may use 'Bids & Tenders' or an equivalent electronic bidding platform to carry out purchasing activities. The Finance Department will be issuing and receiving tenders through it. This platform shall be used for any tender of goods and services above \$100,000.

1.0 RESPONSIBILITIES

Initiating Department - Provide the necessary document specifications, answer queries of prospective bidders, consider extensions of time, review bids received, rule on the acceptance of those that do not meet the tender requirements according to the policy guidelines.

Finance Department - Receives all tenders, confirms completeness of documentation (specifications), bonding requirements, creates appropriate tender form(s), allocates tender number(s), schedules, tender deadlines, proponent's meetings, tender openings and tender closings, creates and submits tender advertisement, maintains vendor contacts for tenders received, issues tender(s) documentation to potential bidders, receives and documents tender/proposal fees, issues addendum and vendor communications, carry out tender opening, records bidder's names, records amount of bid, confirms all tenders requirements/qualifications are met i.e. all insurance and bonding requirements, references, tender signatures (as required), and mathematical extensions etc., exhibit bidder lists and bid summary results, provides the bid summary report for the Initiating Department Head, corresponds with vendors with regards to contract awarding, returns deposits (if any), debrief the proponents upon request, negotiates pricing and terms, issues and creates contract(s) and purchase orders for the awarded tender, coordinates execution of the contract and maintains a complete set of tender files.

2.0 ISSUING

2.1 Advertising

All tenders shall be posted in a standard format on the Municipality's website and/or in the electronic bidding platform and:

- 1) where considered appropriate in the opinion of the Finance Department,

advertised in local newspapers, applicable publications or other media, or;

- 2) where necessary to comply with applicable law, in the applicable publications or other media. The closing date is usually three to five (3-5) weeks from the date of issue but may be shorter or longer depending on the urgency or complexity of the goods or services being purchased.

2.2 Documents Distribution

The Finance Department shall supply all the below-given information available in the tender for the prospective bidders for each opportunity:

- An official tender document which broadly includes:
 - Invitation and Submission Instructions
 - Evaluation and Award
 - Forms for Proponent Information, Contact Information, Qualifications, Experiences, References, Schedule of Prices, Set of Plans, Specifications, Scope of work (as applicable), etc.
 - Terms and Conditions

The Municipality, or the electronic bidding platform, may require a deposit fee for same, which may or may not be returnable.

A list of all bidders shall be maintained by the Finance Department and shall be available to the public.

2.3 Bid Deposit Requirements

Each bidder shall provide a deposit in an amount in accordance with the following schedule, as applicable:

<u>The total amount of Bid (excluding taxes)</u>	<u>Minimum Bid Deposit</u>
Over \$100,000	10%

Bid deposits must be in the form of digital bid bonds for the electronic bidding platform. The bond shall be Canadian Construction Association (C.C.A.) approved by a licensed Canadian Surety Company made out in favour of the Municipality. The Bid Bond shall be valid for at least 60 days from the date of the tender opening date.

2.4 Performance Security, Insurance and WSIB Certificates

- a) In order to protect the Municipality, performance security to guarantee the completion of the Contract should be required for the supply and installation of equipment and materials and all services/construction involving Municipal property. Where performance security is deemed necessary it shall be in the following form or a combination of the following as noted in the tender/proposal

document:

(i) Bonds:

1. Digital Bid Bond to include Agreement to Bond confirming the following:
 - a) Performance Bond in the amount of 50% of the bid price
 - b) Labour and Material Bond in the amount of 50% of the bid price
 2. Digital Performance Bond – For 50% of the contract sum including taxes, in the form approved by the C.C.A. made out in favour of the Municipality.
 3. Digital Labour and Material Bonds - For 50% of the contract sum, in the form approved by the C.C.A. made out in favour of the Municipality.
- b) In order to further protect the Municipality, certificates are required for the supply and installation of equipment and materials and all services/construction involving Municipal property from contractors including:
- (i) Insurance Certificates (copy of original)
 - (ii) Workplace Safety Insurance Board
- c) When it is deemed necessary, the Municipality has the right to require a liquidated damage clause for late performance or supply.

2.5 Changes to Tenders Under Call

Interpretations to queries from bidders, changes, cancellation of, or additions to tenders under call shall be made in the form of a written addendum issued by the Finance Department.

2.5.1 Addendum

A copy of each addendum shall be posted by the Municipality on the applicable electronic bidding platform as per the schedule posted in the tender. Any delay in the issuance of the addendum may lead to an extension of the closing date which is at the sole discretion of the Finance Department in agreement with the Initiating Department. All bidders will be required to acknowledge receipt of the addendum.

2.5.2 Extension of Time

When the closing date for receiving an advertised tender is extended all bidders shall be notified by the Finance Department of the extension of time by issuance of an addenda.

2.5.3 Cancellations

When an advertised tender is cancelled all bidders shall be notified by the Finance Department through the electronic bidding platform. Once a tender has been cancelled, no tenders will be accepted.

3.0 RECEIVING

All tenders shall be received by the Finance Department through an electronic bidding platform, unless otherwise stated. Any submission after the closing time of the tender will not be available to the Municipality as the submission will be unsuccessful. At all times, the onus solely remains on the Bidder to ensure tender submission to the Municipality.

The bidder can withdraw its submission any time before the closing time of the tender. The bidder can submit another tender after the withdrawal, but multiple submissions are not accepted unless asked.

4.0 OPENING

After the closing time, the submitted tenders are available to the Finance Department for downloading from the electronic bidding platform. The Finance Department will endeavour to download the bids as soon as possible after the closing time.

5.0 TENDER EVALUATION

All tenders must be reviewed by the Finance Department for meeting the mandatory requirements before submitting them to the Department head or its designate for evaluation. The mandatory requirements include bonding requirements, insurance, WSIB (good standing), etc., and shall be outlined within the released tender documents. Non-compliance with mandatory elements of the tender will lead to the rejection of the tender from the process.

The Technical and commercial evaluation is carried out by the Initiating Department Head, or its designate, and the Finance Department respectively. The bids which are technically approved by the Initiating Department are only reviewed for their pricing and based on their evaluation criteria (if any) the scoring is completed and the final score is prepared by the Initiating Department, with support from the Finance Department, as required.

5.1 Upon Opening of Tenders, Proposals and/or Formal Quotations

The name of the bidders who submitted the bids will be available on the electronic bidding platform, as applicable.

6.0 AWARDING TENDERS

Following the evaluation of the tenders, a Bid Summary Report and recommendation shall be prepared by Initiating Department Head or its designate with assistance from the Finance Department.

The awarding of tenders shall be in accordance with Section 8.1 of the Procurement Policy.

6.1 Notification of Successful Bidder

The Finance Department shall be responsible for the preparation and issuing of the letters to notify all bidders of the successful bidder by posting the details on the electronic bidding platform.

6.2 Execution of Contract

When the tender has been awarded, 3 copies of the formal contract agreement, where required by the Municipality, shall be signed and sealed and submitted by the Contractor to the Finance Department for execution.

Unless otherwise required, the Contract shall consist of the documentation relative to the work, including the completed Successful Bidder's bid. Contract execution shall be deemed accomplished either by signing of an official agreement form, or by the issuance of a purchase order and/or award letter by the Municipality of Hastings Highlands in the name of the Successful Bidder.

The following documents must be submitted to the Municipality at the time of executing the contract if requested by the Municipality:

- a) Workplace Safety Insurance Board Certificate;
- b) Insurance Certificates;
- c) Performance and Labour bonds or a letter of credit;
- d) Any other documents required by the Request for Tender.

Upon receiving the contract and all the documentation, the Finance Department shall coordinate with the CAO to ensure the contract is legally binding.

Upon tender award by Council, authority is hereby delegated to the Mayor and Clerk to execute a binding agreement.

The successful bidder shall be allowed a maximum of ten (10) working days to provide any required performance security and documentation.

6.3 Action When Successful Bidder Does Not Finalize Contract

If the low bidder has made it known in writing that they will not execute the contract, or if a quotation has been awarded and the successful bidder fails to perform and/or provide a Performance Bond or other required documentation which is satisfactory to the Municipality within the specified time, additional time may be granted to fulfill the necessary requirement and/or the following action

may be taken:

- a) the contract shall be awarded to the next lowest bidder (including next lowest evaluation score); **OR**
- b) the contract shall be cancelled.

If no bid deposit was required for the tender, and the successful bidder fails to provide the required securities or fails to perform in accordance with the tender or fails to provide the signed Contracts, the Municipality may, at its discretion, claim damages as appropriate notwithstanding any action taken above to cancel and award to the next lowest bidder.

7.0 CHANGE ORDER AND AMENDMENTS TO CONTRACT

Scope changes and contract amendments are to be managed prudently when unforeseen events arise when a project is underway. The contractor must submit a change order request including rationale, cost, and timing implications. The change order must be accepted and approved by the Municipality prior to the commencement of the work.

Council approval is required in all cases where the total cumulative increase is more than \$25,000 and/or more than 10% of the original contract value regardless of the available budget.

Subject to the above statement, where the total cumulative increase is \$25,000 or more **and** exceeds the budgetary appropriation, the Initiating Department Head shall submit a report to the CAO and subsequently Council, regarding the amendment and recommending the proposed source of financing.

Section Reference	Total Cumulative Increase + Original Contract Value	Approval Authority
a)	Below \$25,000 and less than 10% of original contract, if within budget availability	CAO
b)	At or above \$25,000, more than 10% of original contract, or if changes exceed budget availability	Council

- a) No amendment to a Contract, or recommendation for amendment, shall be made unless the amendment, in the opinion of the Treasurer and/or the CAO, is in the best interest of the Municipality.
- b) The procurement process must be conducted in accordance with this policy and all applicable procedures and protocols.
- c) The authority to approve the award of a contract for the purchase is based on the actual purchase value. Purchase value includes the value of any Contract Renewal Options.
- d) Total cumulative increase is the total value of all increases to the original

contract value, including the value of any previously approved change orders and the value of the proposed increase that is to be approved.

8.0 GENERAL

The procedures contained in this Appendix A are policy procedures to guide the Municipality in its tender process. Contravention of any provision herein by the Municipality shall not in itself invalidate any tender process. In addition, the procedures and rules set out in this Appendix A are subject to and may be altered or clarified by the specific provisions contained in the Request for Tender documentation developed in accordance with this Procurement Policy. In the event of any inconsistency between this Appendix A and the provisions contained in the Request for Tender prepared by the Finance Department, the Request for Tender shall prevail.

END OF APPENDIX A

APPENDIX B: LIST OF ITEMS EXEMPT FROM THE POLICY

LIST OF ITEMS EXEMPT FROM THE POLICY

The following items are excluded from the requirements of this Bylaw and therefore no quotations, tenders, proposals, or purchase orders are required:

1.0 Petty Cash Items

2.0 Training and Education

- a) Conferences, Courses, Conventions and Seminars
- b) Magazines, Books, Periodicals
- c) Memberships

3.0 Refundable Employee Expenses

- a) Advances
- b) Meal Allowances
- c) Miscellaneous - Non-Travel
- d) Travel and Entertainment

4.0 Employer's General Expenses

- a) Payroll Deduction Remittances
- b) Honorariums & Employee Recognition Awards
- c) Medicals
- d) Licenses (Vehicle, etc.)
- e) Debenture Payments
- f) Liability and Property and other forms of Insurance Premiums, Payments, and Adjusting Fees
- g) Employee Benefit Payments and Premiums
- h) Petty Cash Replenishment
- i) Tax Remittances
- j) Charges to and from Area Municipalities

5.0 Professional and Special Services

- a) Committee Fees
- b) Banking and Underwriting Services which were covered by agreements
- c) External Auditor Fees
- d) Workplace Safety & Insurance Board payments
- e) Legal Services & Settlements
- f) Insurance Premiums, Deductibles and Claim Settlements
- g) Ontario Land Surveying, when required or recommended by a professional service provider

6.0 Utilities (normal monthly service charges only)

- a) Postage
- b) Water and Sewer
- c) Hydro

- d) Gas
- e) Telecommunications

7.0 Election Expenses

Election materials - The Municipal Clerk has the authority to purchase goods, consulting and support services, and equipment (including technology) necessary or advisable to carry out the requirements of the *Municipal Elections Act*, R.S.O. 1996, as amended. The Municipal Clerk shall wherever possible be guided by the provisions of this Policy.

8.0 The acquisition of real property

9.0 Advertisement

END OF APPENDIX B

APPENDIX C: FORMS

FORMS

1.0 PURCHASE REQUISITION

For goods and services, with an estimated value greater than \$50,000 and not exceeding \$100,000, Initiating Departments shall complete a Purchase Requisition/summary of details form, as required by this policy. The completed form will be submitted by the Initiating Department to the Finance Department.

The Initiating Department may provide a list of potential suppliers or contractors, if known, to assist the Finance Department in identifying potential vendors of the goods and services being requested.

The Finance Department may require, at its discretion, other forms to be completed by an Initiating Department in order to complete procurement activities in accordance with this Policy.

END OF APPENDIX C

APPENDIX D: AUTHORIZATIONS

AUTHORIZATIONS

<u>PURCHASE LEVELS</u> *exclusive of HST*	<u>MINIMUM AUTHORITY LEVELS REQUIRED TO PURCHASE</u>	<u>METHOD OF PURCHASE</u>	<u>REQUIREMENTS</u>	<u>ACTION</u>
Not Exceeding \$20,000	- Department Head's Delegated Purchasing Authorities	- Petty Cash - Corp Credit Card (low value) - Cheque Requisition	Initiating Department Head, or their delegated purchasing authority, obtains a minimum of one verbal or written quotation.	Initiating Department Head, or their delegated purchasing authority, may make purchases directly from the vendor.
Greater Than \$20,000 But Not Exceeding \$50,000	- Department Head	Informal Request for Quotation	Initiating Department Head, or their delegated purchasing authority, completes Informal Request for Quotation process (may request support from Finance Department). A minimum of three (3) informal quotations are required and may be obtained by the Initiating Department.	Initiating Department Head awards selection to successful vendor in accordance with section 7.0.
Greater Than \$50,000 But Not Exceeding \$100,000	- Department Head	Formal Request for Quotation	Initiating Department Head, or their delegated purchasing authority, completes a Purchase Requisition and Formal Request for Quotation process with Finance Department support. A minimum of three (3) formal quotations are required and must be obtained by the Finance Department.	Finance Department obtains any additional pertinent information from Initiating Department, obtains the written quotations, analyzes and records results and makes a purchase recommendation to the applicable Department Head. Initiating Department Head is responsible, under section 7.0 of the Procurement Policy, to award in accordance with that section.

Greater Than \$100,000	<ul style="list-style-type: none"> - Department Head - CAO - Council 	Tender	Initiating Department Head, or their designated purchasing authority, completes the Tender Process with support from the Finance Department, who initiates the tender document and process. Initiating Department Head provides the necessary document specifications and any additional information required per Appendix A of the Procurement Policy.	Finance Department follows Appendix A – Tender Procedure of the Procurement Policy. The Finance Department collects and evaluates the bids and makes a recommendation to the Initiating Department Head. Initiating Department Head is responsible, under section 8.0 of the Procurement Policy, to award in accordance with that section. Once Awarded the Finance Department will coordinate contract document in accordance with Appendix A, section 6.2.
Single Source Procurement	<ul style="list-style-type: none"> - Department Head - CAO - Council 	See Section 3.5 and 9.0 of the Procurement Policy		
Proposal Services	<ul style="list-style-type: none"> - Department Head - CAO - Council 	See Section 10.0 of the Procurement Policy		
Emergency Purchases	<ul style="list-style-type: none"> - Department Head - CAO 	See Section 11.0 of the Procurement Policy		

END OF APPENDIX D

APPENDIX E: BID IRREGULARITIES/RESPONSES

BID IRREGULARITIES / RESPONSES

	IRREGULARITY	RESPONSE
1.	Failure to submit a bid through the municipality's electronic bidding system	Automatic rejection, unless the Municipality has instructed otherwise by published Addendum
2.	Late Bids.	The electronic platform does not allow late submissions. Automatic rejection
3.	Required Deposit is not provided or is not in an acceptable form	Automatic rejection
4.	Incomplete Bids (Part bids - all items not bid).	Automatic rejection unless the nature of the oversight is minor or insignificant, as determined by Finance Department
5.	Qualified Bids (Bids qualified or restricted by an attached statement).	Automatic rejection unless the qualification or restriction is minor or not significant, as determined by Finance Department
6.	Bids received on documents other than those provided by the Municipality.	Automatic rejection
7.	Bids Containing Minor Obvious Clerical Errors.	2 business days to correct initial errors
8.	Mandatory site visit not attended by bidder (including late attendance).	Automatic rejection
9.	On a Pre-qualification tender, a bid is submitted by an unqualified bidder	Automatic rejection
10.	Corporate seal or signature of authorized signatory missing	Automatic rejection
11.	WSIB, Insurance and required Bonding are not included in the tender.	Automatic rejection
12.	The amount of financial security is insufficient.	Automatic rejection
13.	Bonding is incomplete or unrecognized.	Automatic rejection
14.	All Other Irregularities.	Depending on the significance of the irregularity, the submission will either be automatically rejected, 2 business days will be given to correct, or the bid may be accepted with irregularities, as determined by Finance Department

15.	Any Company, or principal of a Company, who has an outstanding claim or commenced legal action against the Municipality	Automatic rejection, see section 16.0 for further non-compliance details
16.	Tie tenders	<p>The Finance Department may use one of the following methods of dealing with tied tenders at their discretion, based on the specific situation:</p> <ul style="list-style-type: none"> i) Use a coin toss to select a recommended bid ii) Request the tied bidders to submit new bids iii) Negotiate with the tied bidders to break the tie

END OF APPENDIX E