THE CORPORATION OF THE TOWNSHIP OF SOUTH STORMONT

BY-LAW NO. 2020-076

BEING a by-law to adopt a Procurement Policy for the Township of South Stormont and to repeal By-law No. 2015-115.

WHEREAS the *Municipal Act, 2001*, S. 5 (1) provides that the powers of a municipal corporation are to be exercised by its council;

AND WHEREAS the *Municipal Act, 2001*, S. 5 (3) provides that the powers of every council are to be exercised by by-law;

AND WHEREAS the *Municipal Act, 2001*, S. 270 states that a municipality and a local board shall adopt and maintain a policy with respect to its procurement of goods and services;

AND WHEREAS the Township of South Stormont did, on November 25, 2015, pass By-law No. 2015-115, being a by-law to adopt a procurement policy for the Township of South Stormont;

AND WHEREAS the Township of South Stormont deems it necessary to amend the Township's Procurement Policy.

NOW THEREFORE Council of the Township of South Stormont hereby enacts as follows:

1. That By-law No. 2015-115 is hereby repealed.

2. That the Township of South Stormont Procurement Policy, attached hereto as Schedule "A" and forming part of this by-law, is hereby adopted.

3. That any other by-law inconsistent with this by-law is hereby repealed.

READ AND PASSED in open Council, signed and sealed this 14th day of October, 2020.

Mayor

Clerk

THE TOWNSHIP OF SOUTH STORMONT
COUNCIL POLICY

NAME: Procurement Policy
Effective Date: November 30, 2005 Revision Date: October 14, 2020

1 LEGISLATIVE AUTHORITY

The *Municipal Act, 2001*, Section 270, provides that a municipality shall adopt and maintain a policy with respect to its procurement of goods and services.

2 PERSONS AFFECTED

Township Council and All Employees and Suppliers

3 PURPOSE

The purpose of this policy is to achieve best value for the Township through procurement processes that are open, fair and transparent.

4 POLICY STATEMENT

Township Council endeavors to conduct its procurement processes in accordance with the following principles:

a) Compliance with all applicable laws, regulations, by-laws, policies and trade agreements as further set out in Schedule 1 to this policy;

b) Using competitive processes unless the procurement meets specific conditions defined in Township approved procedures and in accordance with the applicable trade agreements;

c) Open, fair and transparent procurement that affords equal access to all qualified suppliers;

d) Reciprocal non-discrimination and geographic neutrality with respect to Ontario's trading partners and avoidance of preferences for local suppliers;

e) Achieving best value for the Township in the expenditure of public funds by selecting appropriate procurement methods and using reasonable commercial terms;

f) Effective balance between accountability and efficiency; and

g) Ensuring adherence to the highest standards of ethical conduct.

5 APPLICATION

This policy applies to all Township procurement with the exception of to the following transactions:

a) Acquisition or sale of land;
b) Insurance premiums, payroll tax and benefit remittances;
c) Professional development, education, employee training;
d) Memberships or dues;
e) Subscriptions for newspapers, magazines and periodicals;
f) Postage;
g) Charges or remittances to other governmental bodies;
h) Operating grants to community and social groups;
i) Original art work;
j) Purchases during an Emergency as defined in this policy;
k) Purchases from regulated utilities including electricity, water and/or sewage
l) Charges or remittances to owners of utility infrastructure for movement, relocation or adjustments to their property located within a designated right of way; and
m) Licenses, or maintenance agreements for existing, proprietary software systems

Notwithstanding that the transactions listed above are not subject to the procurement policy, Department Heads should ensure that the Township is receiving good value for all such purchases.

6 AUTHORITY TO COMMIT EXPENDITURE

Council will not be committed to any non-Emergency expenditure unless funds are allocated and approved in the current budget. Where provision in the budget is insufficient to meet the expenditure required the matter will be referred to Council for a decision.

Prior to Council approval of a new budget, a Department Head or designate may incur normal operating expenses.

The CAO or designate is authorized to sign purchase orders on behalf of Council and to delegate this authority to other employees. The employees who have the authority to sign purchase orders shall not order any goods or services over their delegated limit, or for which funding is not available or approved.

7 DELEGATIONS

The CAO is delegated to approve all Township procurement, provided that the value does not exceed $100,000 (excluding GST), is conducted in accordance with Township policy and procedures, and that the purchase does not exceed Council’s current budget for this item.

Where there is a need to respond to an Emergency situation as defined in this policy, the CAO may approve all purchases required to stabilize the situation and shall then promptly report out on all required purchases at the next Council meeting.

The CAO is permitted to further delegate this purchasing authority to other Township employees, provided the delegation is in writing, dated and filed with the CFO.

8 RESPONSIBILITIES

Township Council to:

- Allocate resources through approved operating and capital budgets
- Authorize purchases that exceed the delegated authority of the CAO

CAO or designate to:

- Act as Chief Purchasing Agent for the Township
- Establish standard procurement procedures in accordance with Council procurement policy, all applicable laws, regulations, and trade agreements
- Ensure organizational compliance with all applicable procurement policies, procedures, laws, and trade agreements
- Support the promotion of sound procurement practices and appropriate education and training to employees involved in procurement
- Authorize purchases that exceed the delegated authority of Department Heads

CFO or designate to:

- Advise Department Heads on budget availability and potential sources of funding prior to initiating procurement
- Assign appropriate coding to be utilized for a Procurement Project
- Identify any applicable conditions which must be adhered to if grants are to be used in whole or in part to fund the procurement
- Arrange release of holdbacks and bonds upon contract completion

Legal Counsel or designate to:

- Finalize contracts and agreements following the award and approval process and prior to commencement of work
- Review and advise on proposed changes to contract terms and conditions
- Provide legal advice and counsel to the organization in the event of a contract dispute or challenge flowing from a Procurement Project

Department Head or designate to:

- Identify the need and develop requirements and specifications to be satisfied through a Procurement Project
- Build a procurement project plan and obtain appropriate approval prior to soliciting bids
- Identify an available and approved funding source and verify the assigned account coding
- Authorize purchases that are within their delegated authority
- Ensure employees involved in procurement have appropriate training
- Ensure Department compliance with all procurement policies, procedures,

applicable laws, trade agreements and regulations

- Support the provision of appropriate education and training to employees involved in procurement

9 PROCEDURES

The CAO shall, by way of official procedures, establish, implement and maintain the respective thresholds, approval processes and the methods of procurement to be utilized in by the Township. Procedures are to be consistent with best practices and in compliance with all applicable laws, trade agreements and this policy. The procedures are to be made readily available to all employees, suppliers and the general public.

Schedules A, B and C form a part of the overall Procurement Policy. Schedules may be amended from time to time and updates will be reported to Council pursuant to CAO reporting requirements.

10 REPORTING

The CAO shall cause to be submitted to Council, on a rolling monthly basis, a procurement activity report which shall include information on all Township procurement activity approved by administration in the previous month. The report shall include a listing of all new procurement contracts, procurement method, selected suppliers, contract value, as well as any amendments to existing contracts.

11 PROCUREMENT TRAINING

Department Heads will ensure adequate orientation and training is provided to all Township employees involved in procurement activities.

12 PROCUREMENT VALUE

In order to fulfill the Township's trade agreement obligations and to ensure that the appropriate procurement procedures are applied, an accurate estimate of the total value of the Procurement Project is required. The estimated procurement value should include all the costs payable to the contractor or supplier by the Township which are inherently related to the acquisition including any additional costs such as delivery, installation, training or maintenance fees.

Subdividing projects or splitting contracts to reduce the procurement value in order to avoid the requirements of this policy and approved procedures is not permissible.

13 CONFLICT OF INTEREST AND ETHICS

The Township's procurement process must be conducted with integrity so as to maintain the public's trust. The Township must ensure that it effectively manages internal and external conflicts of interest.

a) Internal Conflict of Interest - The Township's *Employee Code of Conduct* must be adhered to in connection with all Procurement Projects.

   All participants in the Procurement Project (including all involved

members of the Department, and all members of the evaluation team) must ensure that there are no internal conflicts of interest.

The *Municipal Conflict of Interest Act* also regulates the manner in which current elected officials of the Township or their family members may engage in business with the Township where they have a pecuniary interest. Businesses in which a current elected official or their family has a pecuniary interest may be eligible to bid on work with the Township, provided that:

i. they do not have role in creating, conducting or evaluating Bids;
ii. the pecuniary interest is disclosed to Council prior to any discussions on the matter;
iii. the matter is submitted to Council for approval prior to an agreement or other form of commitment being signed;
iv. they remove themselves and abstain from voting on any question relating to the matter.

b) External Conflict of Interest - In addition to ensuring that there are not internal conflicts of interest, Procurement Projects must also be free of external conflicts of interest.

All suppliers are required to declare, as part of their Bid in a procurement process, that there are no conflicts of interest or provide details of any actual or apparent conflicts of interest. Department Heads must ensure that all procurement templates include appropriate conflict of interest language and declarations.

A conflict of interest can arise when a supplier is retained to participate in the development of a Competition Document (including the specifications) or to provide consulting services in connection with an initial or earlier phase of a multi-phase project. In such situations, Departments must assess whether such a supplier would have an unfair advantage over other Bidders as a result of their previous work on the project. If it is determined that such an advantage exists, the Township must then further determine whether it can be effectively mitigated. If an advantage exists and it cannot be effectively mitigated, the supplier should be precluded from submitting a Bid or directly or indirectly participating in the submission of any Bid in response to a subsequent or related Competition Document.

Departments should conduct this assessment at the beginning of the entire Procurement Project before any suppliers have been retained. Where it is determined that a potential Bidder will be disqualified from participating in downstream phases because of a conflict of interest, it must be disclosed in the initial procurement process by which the supplier is retained.

14 NON-COMPLIANCE

Township employees must adhere to the Township's procurement policies. Department Heads and the CAO are responsible for ensuring compliance. If and when non-compliance is detected the Department Head is responsible for reporting such activity to the CAO and/or CFO.

15 DEFINITIONS

“Bid” means a submission in response to a Competition Document;

“Bidder” means a supplier that submits a Bid;

“CAO” means the Chief Administrative Officer for the Corporation of the Township of South Stormont;

“Competition Document” means the document used to solicit Bids and includes Invitation to Tender (ITT); Request for Proposals (RFP); Request for Quotations (RFQ); and Request for Supplier Qualification (RFSQ);

“CFO” means the Chief Financial Officer for the Corporation of the Township of South Stormont;

“Department” means any Department within the Corporation of the Township of South Stormont. Various departments include but are not limited to Administration, Building, Economic Development, Finance, Fire and Rescue, Planning, Protection of Persons and Property – Other, Recreation, Transportation Services, Waste Management, Waste Water, and Water;

“Department Head” means a head of a department operating within Township of South Stormont, being the Department Head of: Building, Corporate Services, Finance, Fire and Rescue, Planning / Economic Development, and Public Works;

“Emergency” means a situation where -

- An official state of emergency is proclaimed under the *Emergency Management and Civil Protection Act*; or
- an exceptional circumstance occurs with an immediate risk to the safety or health of an employee or a member of the public; or
- there is an immediate risk of damage to public or private property;

“Legal Counsel” means the Township's designated legal representative;

“Procurement” means the process by which the Township obtains goods and services to support the delivery and maintenance of municipal programs, services and infrastructure. Effective procurement is a critical support function for the Township in responsibly managing public funds; and

“Procurement Project” means any purchase of goods, services or construction by one of the Township's Departments;

16 REVISION HISTORY

Effective Date: November 30, 2005
Revision Date: December 17, 2008
Revision Date: November 25, 2015
Revision Date: October 14, 2020

Schedule "A"

1. Procurement activities at the Township of South Stormont must be conducted in accordance with all applicable laws, regulations and standards, including, but not limited to:

    i. *Income Tax Act* and Regulations;
    ii. *Excise Tax Act* and Regulations;
    iii. *Occupational Health and Safety Act* and Regulations;
    iv. *Workplace Safety and Insurance Act* and Regulations;
    v. *Municipal Freedom of Information and Protection of Privacy Act* and Regulations;
    vi. *Municipal Act* and Regulations;
    vii. *Competition Act* and Regulations;
    viii. *Accessibility for Ontarians Act;*
    ix. *Municipal Conflict of Interest Act; and*
    x. Township Bylaws, policies and administrative procedures

2. Procurement activities at the Township must also comply with the following trade agreements:

    i. Canadian Free Trade Agreement (CFTA) – all Provinces & Territories
    ii. Ontario-Quebec Trade and Cooperation Agreement (OQTCA)
    iii. Comprehensive Economic and Trade Agreement (CETA) – Canada & European Union (EU)

Schedule “B” to Procurement Policy

Procurement Code of Conduct

Effective Date

This *Code of Conduct for Procurement* is effective on October 14, 2020.

Application

This *Code of Conduct for Procurement* provides all those involved in the procurement process, township employees and suppliers alike, with a clear statement of mutual expectations to ensure a common basic understanding.

It is framed by the principles set out in the Township of South Stormont *Procurement Bylaw & Policy*, *Procurement Procedures* and the *Employee Code of Conduct*. The Township expects that all those involved in the procurement process will abide by these provisions.

The Procurement Process

The Township of South Stormont spends multi-millions of dollars a year on the procurement of goods and services. The township has a responsibility to maintain the confidence of the supplier community and the public in the procurement system, by conducting procurement in an accountable, ethical and transparent manner.

A conflict of interest (COI) is a situation in which the township employee has private interests that could improperly influence the performance of his or her official duties and responsibilities or in which the township employee uses his or her office for personal gain. A conflict of interest may be:

- real - exists at the present time;
- apparent - could be perceived by a reasonable observer to exist, whether or not it is the case; or
- potential – could reasonably be foreseen to exist in the future.

Personal gain or interests may be based on:

- pecuniary interest – a financial interest, or a financial benefit or financial disadvantage;
- indirect pecuniary interest – where a person with whom you have a close relationship has a financial interest; or
- non-pecuniary bias – a predisposition towards a certain outcome based on some emotional or other interest.

Preventing, managing or resolving conflict of interest situations is one of the principal means of maintaining public trust and confidence in the impartiality and integrity of the township employee.

As township employees involved in the procurement process, we are expected to demonstrate the following behaviours that reflect these values:

Statement of Values and Expected Behaviours	
Value	**Expected Behaviour**
Impartiality - commits us to valuing rights and responsibilities of all stakeholders	**We demonstrate impartiality by:** • exercising professional judgment and treat all colleagues and external stakeholders with fairness • avoiding real, apparent or potential conflicts of interest when performing our duties • disclosing any conflict of interest that should arise to our employer as soon as possible • removing ourselves from any decisions in which a conflict of interest real or perceived may exist
Integrity - commits us to acting with honesty and with actions bearing closest scrutiny	**We seek integrity by:** • ensuring objectivity by not being influenced through acceptance of gifts, hospitality or gratuities that would result in a perceived conflict of interest • acting only in the public interest
Protection of Information - commits us to maintaining public trust and confidence	**We ensure protection and security of information by:** • ensuring confidential or sensitive information remains protected • respecting disclosure requirements while maximizing openness, wherever possible • maintaining complete record keeping so as to allow access to information requests to be completed
Service to Township and the Public – commits us to being responsive and meeting expectations	**We provide service excellence by:** • respecting the rules, policies and procedures relating to public procurement • providing decision makers with complete analysis to ensure fully informed decision are made
Effective and Ethical Responsibility – commits us to a balanced and appropriate procurement strategy	**We accomplish effective and ethical responsibility by:** • promoting local economic development, sustainability and preservation of the natural environment • adhering to labour laws and other social responsibilities

Responsibilities of Suppliers

Suppliers must respond to bid solicitations in an honest, fair and comprehensive manner, accurately reflecting their capacity to satisfy the requirements stipulated in the solicitations, and only submit bids and enter into contracts if they will fulfill all obligations of the contract.

Suppliers should avoid any action that would jeopardize township employees' ability to respect their obligations under the *Code of Conduct for Procurement*.

Suppliers shall comply with applicable Township security and confidentiality requirements.

Suppliers will refrain from offering township employees gifts, hospitality or other benefits that may have a real, apparent, or potential influence on their objectivity in carrying out their official duties.

Solicitation and Contract Provisions

All contracts subject to the requirements of this *Code of Conduct for Procurement* and solicitations relating to the formation of those contracts will incorporate clauses:

- prohibiting corruption, collusion, bid-rigging or any other anti-competitive activity in the procurement process
- preventing engagement, either directly or indirectly, in any form of political or other lobbying whatsoever to influence the evaluation or selection process
- requiring the Contractor's consent to publicly disclose basic information about a procurement contract
- stating that the vendor has read and agrees to be bound by the terms of this *Code of Conduct for Procurement.*

Consequences

A breach of the code of conduct by a supplier will constitute grounds for sanctions to be applied which may preclude them from future township bidding opportunities either on a temporary or permanent basis.

Avenues for Resolution

Complaints by suppliers who believe that they many have been unfairly treated during the procurement process by the township may file a complaint using the complaints process as established by the Chief Administrative Officer (CAO). Complaints will be reviewed with the objective of solving them quickly and efficiently.

Appendix 1:

Definitions

In this Code of Conduct –

"Pecuniary Interest" is when, if a matter under consideration by township is decided in a particular way you:

- will gain, lose or save money, gain a financial advantage, or suffer a financial disadvantage;
- could be expected to gain, lose or save money, gain a financial advantage, or suffer a financial disadvantage; or
- are reasonably likely to gain or lose money, gain a financial advantage, or suffer a financial disadvantage

"**Township employee**" includes any employee of the Township of South Stormont, members of Township Council or any other township body which is required to comply with the Township Procurement Bylaw & Policy.

"**Supplier**" means any person who has submitted a bid, offer or arrangement or who may submit a bid, offer or arrangement or who has been awarded a contract, including subcontractors, owners, directors, officers, employees, agents, or any affiliated body or any related parties.

Appendix 2:

Code of Conduct for Procurement Agreement

By signing this agreement form, I acknowledge that I have read the *Code of Conduct for Procurement* and discussed my obligations with my supervisor.

As a Township of South Stormont employee, I commit to the highest code of conduct standards in performing my professional procurement duties. I will not condone unbecoming conduct and will responsibly speak up against it if I observe it.

Signed on this date of: _____

_____
Signature of Township employee

Printed name: _____

As a Township of South Stormont supervisor, I will ensure the township employees for whom I am responsible understand the conduct risks they may face, and that they have appropriate tools to address these risks. I commit to openly discussing conduct issues and concerns with my own supervisor, as well as with my township employees and colleagues.

Signed on this date of: _____

_____
Signature of Supervisor

Printed name: _____

Schedule “C” to Procurement Policy
As Amended pursuant to By-law No. 2026-036

PROCUREMENT POLICY PROCEDURES

OCTOBER 14, 2020

TOWNSHIP OF SOUTH STORMONT
2 Mille Roches Road, Long Sault, ON K0C 1P0

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1. Project Planning

1.1. Procurement Project Planning – Overview

Effective Procurement Project planning is essential to ensure a successful outcome and to limit risk to the Township. Departments are responsible for ensuring the development and approval of a plan for each Procurement Project.

Departments must consider the following general principles when developing a Procurement Project plan.

The first step in the planning process requires the Department to identify the appropriate stream as set out below:

1.1.1. Framework, Existing Corporate Agreements or Internal Resources

Prior to commencing a Procurement Project, Departments must first consider whether there is a compelling need for the acquisition and must first consider the availability of existing supply sources, including existing frameworks or sources lists, corporate agreements or internal resources, including exploring job descriptions and capacity of Township employees, where applicable.

If there are no existing supply sources then it is appropriate to consider the other supply options listed below with consideration of the estimated expenditure.

In accordance with the approved Township Procurement Policy, an accurate estimate of the total value of the procurement is required. The estimated procurement value should include all the costs payable to the contractor or supplier by the Township which are inherently related to the acquisition including any additional costs such as delivery, installation, training or maintenance fees.

Subdividing projects or splitting contracts to reduce the procurement value in order to avoid the requirements of approved policy and these procedures is not permissible.

1.1.2. Low Value Purchases (LVPs) – purchases up to $5,000

LVPs involve goods and services not covered under an existing contract or otherwise requiring another method as described in Township policy and procedures.

Purchases within this category are intended to be "one-off' or smaller, multiple purchases with a cumulative annual value not exceeding the above stated threshold.

The Department Head shall authorize specific individuals to make LVPs and assign them an appropriate spending authority, not to exceed the threshold above.

Written quotations and advertisement are not required, but reasonable effort shall be made to obtain fair market value. Comparing prices and obtaining competitive

price quotes is considered a good business practice and should be done wherever possible.

LVPs may be made using one of the following options:

- **Petty cash** – less than $100

Payments may be made from a petty cash fund for small purchases when it is not feasible to purchase through the normal accounts payable process. The petty cash balance will not exceed a total of $300.00 in any one location. The Department Head will determine if a petty cash fund is required, as well as identifying the employee who will be responsible for the petty cash.

All petty cash disbursements shall be evidenced by receipts. All petty cash and receipts must be kept in a secure location and will be reconciled each time it is replenished.

The petty cash shall be reconciled and replenished at the end of each calendar year.

- **Purchase Orders**
- **Signed packing/delivery slip** - $100 or greater and less than $5,000

A packing slip or delivery document shall be signed by the expending employee and approved by an individual with appropriate signing authority.

- **Employee reimbursement** – less than $1,000

Employees must submit itemized receipts for reimbursement of any and all expenses.

- **Township issued credit card**

Credit cards are permitted for travel purposes, training registration, booking reservations, purchases required via telephone and / or internet, miscellaneous small purchases, and emergency situations. All purchases must have the required documentation (including itemized receipts) submitted and approved by the responsible cardholder.

1.1.3. Informal Competitive Process – purchases $5,000 and greater up to $25,000

For purchases with a total value $5,000 or greater and less than $25,000, excluding taxes, an informal competitive process shall be utilized. If possible, at least three (3) written quotations shall be solicited, analyzed and the results tabulated by the Department Head. Quotations received shall be evaluated on price and the criteria outlined in the quotation request to determine the successful Supplier. Advertisement of informal written quotations is not required.

Where written quotations from at least three suppliers cannot be reasonably obtained, the Department Head or designate shall make a record of such circumstance.

A copy of the quotations received on each purchase shall be attached and maintained with the applicable invoice when approved for payment.

Should purchases occur over an extended period of time and a purchase order is required, a blanket purchase order will be processed and retained by the Finance Department for future reference.

1.1.4. Formal Competitive Processes – purchases $25,000 and greater

1.1.4.1. Open Competition

An Open Competition involves the public posting of a Competition Document on the Township's prescribed electronic tendering site and must be employed for all goods and/or services whose estimated value is $100,000 or greater or for construction where the estimated value is $250,000 or greater.

1.1.4.2. Invitational Competition

Where the estimated value is less than the Open Competition thresholds the Township may choose to engage in an Invitational Competition.

For goods and/or services $25,000 and greater and up to $100,000 and for construction $25,000 and greater and up to $250,000 a Department may conduct an Invitational Competition by requesting formal written Bids from at least three (3) qualified suppliers. Advertisement of Invitational Competitions is optional.

The Department is strongly encouraged to utilize bid templates made available by the DoF.

Where the Procurement Project is particularly complex or the market conditions warrant it, the CAO and/or DOF may advise the Department that an Open Competition should be conducted. An Invitational Competition may also be used in circumstances of Limited Competitions.

1.1.4.3. Limited Competition

A Limited Competition may be conducted in cases where the estimated value of the goods, services or construction exceeds the Open Competition thresholds but, subject to the procurement fitting one of the exceptions to competition set out in Section 1.4, an Invitational competition may be undertaken as an alternative to a Direct Award.

1.1.5. Cooperative Procurement

In the absence of an applicable Township contract, a Department Head may elect to participate in a procurement process administered by another municipality or other public organization. A Department Head shall first obtain the approval of the CAO, in advance of agreeing to participate in such an arrangement. CAO approval shall be considered conditional approval to begin planning the procurement with the other participating organizations. Final approval to proceed must be obtained from the CAO following the CAO's review of the final draft Competition Document prior to its release to the market.

Cooperative purchasing with other municipalities and/or public organizations, is encouraged when beneficial and practical. Arrangements may be made with one or more public entities for cooperative procurement in order to obtain the benefits of volume purchases.

In these circumstances, Bids are invited by the designated lead organization, and the most favorable Bid determines the prices for all parties involved. Though Bids are called on a joint basis, ordering and billing are up to each participating organization.

When another public entity is acting as the lead agency for conducting the procurement, the participating Department Head must ensure that the other public entity has an approved procurement policy and to the extent practicable, shall ensure that the procurement is carried out in a manner consistent with the Township policy and procedures and applicable trade agreements.

The participating Department Head shall publish a notice of its participation in a cooperative procurement on the Township's prescribed electronic tendering site and the notice shall direct potential Bidders to the buying group tender notices, if it is different from the Township's tendering website.

When participating in a cooperative procurement conducted under another public entity's leadership, the budgetary controls, required approvals and reports to Council, and execution of contracts shall still be carried out in accordance with the Township's own policy and procedures.

1.1.6. Direct Award

A Direct Award process, where the contract is awarded without using a Competitive Process, may only be employed in the specific circumstances set out in Section 1.4 of this policy.

At the outset, the Department should develop a concise statement that clearly identifies what is being procured. This scoping statement should be used to develop detailed business requirements and to appropriately scope the contract.

Where the Department is uncertain about the specifications for a Procurement Project or where there is insufficient internal knowledge about the market, the Department should consider conducting a Request for Information (RFI) process. An RFI process should be openly posted in order to gather market research from prospective Bidders. It should not be used as a prequalification tool.

Departments must ensure that they leave sufficient time to plan for a Procurement Project, including:

- developing proper specifications and business requirements;
- conducting stakeholder reviews;
- Developing the Competition Document; and
- obtaining necessary approvals.

1.2.Major Projects

When conducting a Major Project, Departments should consider the following:

- Appointing an internal project lead to coordinate input from multiple departments or stakeholders;
- Involving at an early stage, the DoF and Legal Counsel to ensure that all legal and risk considerations are appropriately addressed; and

- Where there may be insufficient internal resources your project planning should evaluate the need for the retention of external advisors to assist in developing specifications or business requirements.

1.3. Procurement Project Planning - Competitive Process

The following components should be included and considered by the Department in a Procurement Project plan for all Competitions:

1.3.1. Funding Source

An approved funding source must be in place before proceeding with any Procurement Project. Funding sources may include the current operating or capital budgets, funding through special Township council resolution, externally-funded grants or other cost sharing agreements. Consideration must be given to the funding source when considering a multi-year contract or multi-phase project in order to properly structure the procurement document.

1.3.2. Requirements and Specifications

The Department is responsible for drafting clear, detailed specifications and business requirements for each Procurement Project. Specifications may include any or all of the following:

- Physical characteristics;
- Functional, performance or expected results characteristics;
- Quality characteristics defined by recognized, third-party standards bodies;
- Intended use descriptors such as consumer, industrial, medical or laboratory grade, or suitability for use under extreme conditions.

When developing specifications, the Department should take the following into consideration:

- Specifications cannot be written in a way that unduly restricts suppliers from bidding on Township business, but should encourage open, fair and transparent competition.
- Unless established through a formal-standard setting exercise, all specifications must be generic and non-branded. Where there is no other way to describe a specification, trade-marks or brands may be employed by way of reference, but cannot be used as the specification itself.
- The need for performance security, if any.
- Departments must ensure that all material disclosures are made in the Competition Document (i.e. information that goes to a Bidder's decision to submit a Bid or calculate proposed pricing.) Examples may include specific site restrictions or conditions, engineering reports or any other factors that Bidders should know to submit responsive pricing.
- Governing legal terms, such as indemnification and insurance and any other relevant legal requirements affecting the delivery of the goods or services should be included in the Competition Document. Departments should consult with Legal Counsel and DoF for any questions concerning these specific requirements.

Departments should avoid the use of technical specifications that require or refer to a particular trademark or trade name, patent, copyright, design, type, specific origin, producer, or supplier. If the technical specifications are used in that manner, the Department must indicate that it will consider equivalent goods or services that demonstrably fulfil the requirement of the procurement by including words such as “or equivalent” in the Competition Document.

1.3.3. Pricing Structure

Departments must develop a clear pricing structure for each Procurement Project. Pricing structures will depend on the specific purchase, but types of pricing structures to consider may include (but are not limited to) lump sum, unit rates, or time and materials. Pricing structures can also include price· adjustment formulas and extension options, where applicable. Departments should confer with the DoF for recommendations and advice on appropriate pricing structures.

1.3.4. Evaluation Plan

The Department is responsible for developing an evaluation plan for each Competitive Process. The following principles of public procurement must be considered when developing an evaluation plan:

- Mandatory requirements should be kept to a minimum. Where there are mandatory threshold criteria, the requirements must be clear and capable of review upon submission.
- There are two basic evaluation models for the ranking of eligible Bidders:
    - lowest price; and
    - highest score, where qualitative criteria are rated and then combined with price for a total score.
- Where rated criteria are employed, all factors that will be considered in evaluating those criteria must be disclosed in the competition document. Further, the methods and weightings that will be used to evaluate the Bids must also be disclosed. Departments should allocate the maximum justifiable amount to price. The minimum amount that must be allocated to price is 25% of the total points available.
- The formula for calculating price must be clearly established.
- Where qualitative factors are also being evaluated, the formula for adding price to the qualitative factors in order to calculate total score must be disclosed.
- Any short-listing process or qualifying or minimum scores must be disclosed and defensible and if presentations, interviews or references form part of the evaluation process, their weighting and impact on the eligibility or ranking of Bidders must be disclosed.

1.3.5. Format Selection

The Department, in conjunction with the DOF, is responsible for selecting the most appropriate Competition Document format based on the range of template formats provided by the DOF. Types of Competition Document formats include:

1.3.5.1. Request for Quotations (RFQ)

Used to procure goods, services and/or construction where Bidder ranking is assessed based on lowest price or an evaluated criterion.

1.3.5.2. Invitation to Tender (ITT)

Used to procure goods or construction where the specifications or requirements are well-defined, the terms of the contract are clear and where Bidder ranking is assessed based on lowest price.

The ITT format usually includes soliciting bid security or irrevocable Bids from Bidders and gives rise to a legally binding process called Contract A. Where a Procurement Project is operating within Contract A, the risk to the Township is greatly increased and Departments should confer with the DOF and Legal Counsel to ensure that they fully understand the Township's legal obligations during such Procurement Projects.

1.3.5.3. Request for Proposals (RFP)

Used for more complex deliverables where Bidder ranking is assessed based on high score and where Bidder responses may help inform the development of final specifications or performance terms. This format may allow for negotiation of the contract with the selected Bidder.

1.3.5.4. Request for Supplier Qualifications (RFSQ)

Used to prequalify suppliers in the first stage of a two-stage Open Competition. Bidders who meet the requirements of the RFSQ are eligible to participate in the second stage and are invited to respond to a subsequent Competition Document (e.g. ITT or RFP).

Factors to consider in choosing the appropriate Competition Document format include:

- Value and complexity of the purchase;
- Whether bid security is required. Bid security and irrevocable Bids should only be used in consultation with the DOF and Legal Counsel and where there are legitimate business requirements for doing so;
- Whether Bidder responses may be incorporated into the final specifications or performance terms and the final contract will need to be negotiated with the top-ranked Bidder.

1.3.6. Limited Competition

Where a Limited Competition is justified, the Procurement Project plan must also include an explanation for why the Procurement Project fits into one of the exceptions for Direct Awards set out in Section 1.4.

1.4. Procurement Project Planning - Direct Award

The Department must also develop a Procurement Project plan in Direct Award and Limited Competition situations. A Procurement Project plan for a Direct Award must address funding source [Section 1.3.1]; requirements and specifications [Section 1.3.2]; and pricing [Section

1.3.3] in the same manner as would be included in a Procurement Project plan for a Competitive Process.

In addition, justification for not utilizing a competitive process must be documented and form part of a Procurement Project plan for a Direct Award:

1.4.1. Goods/Services up to $100,000 or Construction up to $250,000

Under Township policy, the purchase can only be made by Direct Award in the specific circumstances listed below and in Section 1.4.2. The Department must provide full details to explain why the Procurement Project fits into one of the allowable Direct Award exceptions:

- Cost: goods or services are valued less than $5,000;
- One-of-a-Kind: goods or service has no competitive product and is available from one source;
- Compatibility: goods or service must match existing brand of equipment for compatibility and is available from only one supplier;
- Replacement part/item: replacement part/item for a specific brand of existing equipment that is available from only one supplier;
- Delivery Date: only one supplier can meet necessary delivery requirements;
- Continuity: goods or service must comply with established Township specifications and standards and is available from only one supplier;
- Road construction materials: where it can be demonstrated that transportation costs or technical considerations impose geographical limitations on the available supply base; specifically in the case of sand, stone, gravel, asphalt, compound and premixed concrete or similar materials for use in the construction or repair of roads;
- Unique design; goods or service must meet physical design or quality requirements and is available from only one supplier;

1.4.2. Goods/Services greater than $100,000 or Construction greater than $250,000

Under Township policy, the purchase can only be made by Direct Award in the following specific circumstances. The Department must provide full details to explain why the Procurement Project fits into one of these allowable Direct Award exceptions:

- No acceptable Bids: no tenders were submitted or no suppliers requested participation; no tenders that conform to the essential requirements of the tender documentation were submitted; no suppliers satisfied the conditions for participation; or the submitted tenders were collusive, provided that the requirements of the tender documentation are not substantially modified;
- No alternative or substitution: if the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:
    - the requirement is for a work of art;
    - the protection of patents, copyrights, or other exclusive rights;

- due to an absence of competition for technical reasons;
- the supply of goods or services is controlled by a supplier that is a statutory monopoly;
- to ensure compatibility with existing goods, or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative;
- work is to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
- work is to be performed on a leased building or related property, or portions thereof, that may be performed only by the lessor; or
- the procurement is for subscriptions to newspapers, magazines, or other periodicals.

- 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:
  - 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
  - would cause significant inconvenience or substantial duplication of costs for the procuring entity.
- Urgency: if strictly necessary, and for reasons of urgency brought about by events unforeseeable by the Department, the goods or services could not be obtained in time using Open Competition;
- Commodities: for goods purchased on a commodity market;
- Prototype: if a Department procures a prototype or a first good or service that is developed in the course of, and for, a particular contract for research, experiment, study, or original development. Original development of a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs;
- Exceptionally advantageous circumstances: for purchases that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular suppliers;
- Design contest: if a contract is awarded to a winner of a design contest provided such that: the contest has been organized in a manner that is consistent with the Township policy, and the participants are judged by an independent jury with a view to a design contract being awarded to a winner; or
- Confidentiality: if goods or consulting services regarding matters of a

confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering process could reasonably be expected to compromise confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.

- Financial Services: the management of Township financial assets and liabilities (i.e. treasury operations), including ancillary advisory and information services, whether or not delivered by a financial institution;
- Health services or social services;
- Legal Services: services that may, under applicable law, only be provided by licensed lawyers or notaries;
- Charitable: the goods or services that are being procured are from non-profit organizations and philanthropic institutions, or are produced by the labour of persons who are inmates in prisons or natural persons with disabilities.

1.4.3. Selection Plan

Notwithstanding that a Direct Award purchase is not subject to a Competitive Process, the Department must still explain how the supplier being awarded the contract will be selected, including reference to how qualifications will be evaluated and how the Department will ensure that the Township is getting value for money through the non-competitive selection of the supplier.

2. Procurement Document Assembly

Once a Procurement Project plan for a Competitive Process has been completed and conditionally approved, the Department should begin the assembly of the Competition Document. The DOF is responsible for reviewing the Procurement Project plan for issues, including:

- Confirmation that the most up to date template is used;
- Alignment between the technical requirements and specifications, legal terms and pricing structure;
- Ensuring that administrative matters such as procurement process dates, contact information and requirements for obtaining the Competition Document have been included where appropriate;
- Confirmation that the Procurement Project schedule allows a reasonable timeframe for Bidders to respond;
- Obtaining final review of the Competition Document by the appropriate Department representative.

3. Competition

Once the Competition Document has been reviewed and is ready for release, the Procurement Project should proceed to the competitive phase in accordance with the following steps:

3.1.Issuing Competition Document

The Department is responsible for posting the Competition Document on the Township's electronic tendering site as designated by the DOF.

The Department shall, consistent with its own reasonable needs, provide a reasonable period of time for suppliers to prepare and submit responsive tenders, taking into account factors such as: (a) the nature and complexity of the procurement; (b) the extent of subcontracting anticipated; and (c) the time necessary for transmitting tender documentation by non-electronic means.

3.2.Addenda Process

All changes to the Competition Document and all communications to Bidders after issuance of the Competition Document must be conducted through formal Addenda. All responses to Bidder questions should be issued as a formal question and answer document in the form of an Addendum. All Addenda must be issued in the same manner as the Competition Document.

- It is essential that all contact during the competitive phase be through the single, designated contact person as disclosed in the Competition Document. Other Township employees who receive inquiries from Bidders must direct those Bidders to the designated contact person.
- All questions received from Bidders must be collected by the individual named in the Competition Document. Once the questions have been reviewed and answered for technical content, they should be forwarded to the designated contact person for inclusion in an addendum.
- If an addendum containing significant new information is released within three (3) business days of the submission deadline, the Township should extend the submission deadline to allow Bidders time to review and incorporate the addendum.
- The Department is responsible for tracking acknowledgement of addenda.

3.3.Bid Receipt

- All Bids should be received centrally by the Department and as disclosed in the Competition Document.
- All submitted Bids, whether delivered in physical hard copy or through electronic means must be time and date stamped upon receipt, even if received after the submission deadline.
- Bids received after the submission deadline are ineligible for consideration and must be returned to the Bidder unopened.
- Bids that are to be evaluated on price as the sole criterion are to be opened in public. All Bids for Procurement Projects that have additional criteria other than price are to be opened in private by the Department Head and the DOF or designate. The names of the Bidders are to be made available to public inquirers within one (1) day of Bids being opened in private.

3.4.Bid Evaluations

- Each evaluation process must be fair, defensible and transparent and must comply with the evaluation methodology disclosed in the Competition Document.
- Evaluators should ensure that all written notes relating to an evaluation process are

kept and maintained in the appropriate procurement file.

- Where a Competitive Process is evaluated only on price, the Bids should be reviewed by at least one representative from the Department and one representative from the Finance Department.
- Where a Competitive Process is evaluated based on a combination of price and non-price factors, the Evaluation team should include a representative from the Finance Department who will monitor and observe the entire evaluation process, including all group scoring sessions and any interviews, demonstrations or presentations required.

3.5.Bid Cancellation

A Department may cancel a procurement project under the following circumstances:

- at any time prior to the acceptance of the successful Bid; or
- after the successful bid is accepted, if the supplier whose bid has been accepted fails to sign any written contract as required or fails to provide any required security for the performance of the contract within the time specified. The Department may then, either cancel the procurement or select the next successful bid from among those remaining in effect. Before arriving at a decision, the Department should consider:
    - the nature of the goods or services being procured;
    - fluctuations in price of the goods or services being procured;
    - the period of time that has elapsed since the acceptance of the bid; and
    - whether the remaining bids validity period has expired or not.
- A Department must not open any bids following a decision to cancel the procurement.
- The decision to cancel the Competitive Process and the reasons for the decision must be included in the procurement file.
- The decision to cancel a Competitive Process should be promptly communicated to any supplier that submitted a bid and the Department should also publish a notice of the cancellation in the same manner and place in which the original information regarding the procurement project was published, and return any tenders or proposals that remain unopened at the time of the decision to the suppliers that presented them.

In cases where a Competitive Process has been cancelled, Departments must be careful if they intend to re-issue a Competition Document at a later date. At a minimum, there must be a material change to either project scope, project timelines, or project budget in order to ensure fairness to the Bidders from the previously cancelled Competitive Process.

4. Contract Formalization

The following steps must be followed for all Procurement Projects in order to approve, award and finalize the contract:

4.1.Bidder Recommendation

The Department should draft a final recommendation in the format prescribed by the Finance Department that outlines all pertinent details of the Procurement Project. This recommendation may ultimately be a public document and it should be crafted with utmost care and attention.

4.2.Award Approval

The final recommendation to select a vendor and award a contract must be provided to the appropriate approval authority in accordance with the thresholds set out in Schedule 1 of this document.

4.3.Supplier Selection Letter

Once the necessary approval has been obtained, a selection letter should be sent to the successful supplier. This selection letter should indicate that they have been selected and will be receiving the necessary contract documents from the Township shortly. The Department Head is responsible for sending the supplier selection letter.

4.4.Contract Finalization

Once the supplier selection letter has been sent, the Procurement Project file should be sent to the Legal Counsel's office to finalize the contract (if required). The Legal Counsel will finalize the contract with the successful supplier. The contract should be executed by the supplier and then executed by the Township.

The *Municipal Act* confers the sole authority to sign contracts to Township Council. This authority is delegated to other designated officials through the Township's *Delegation of Authority* bylaw. Other Township employees, not identified in the bylaw, do not have authorization to sign contracts or agreements

5. Post Award Process

Once the supplier has executed the contract, there are a number of processes that are necessary for the Department to conclude the Procurement Project and fulfill the Township's public procurement obligations:

5.1.Bidder Notification

The Finance Department is responsible for posting the results of Competitive Processes on the prescribed electronic tendering website and for reporting this procurement activity to Township Council. Under the Canadian Free Trade Agreement (CFTA), the Township must disclose the following information electronically within (72) days of contract award:

- a description of the goods or services procured;
- the name and address of the Township Department;
- the name and address of the successful supplier;
- the value of the successful tender;
- the date of award; and
- if Direct Award was used instead of a Competitive Process, the conditions and circumstances that justified its use in accordance with Section 1.4.

5.2.Bidder Debriefing

Unsuccessful Bidders may request a debriefing. Debriefings should be scheduled with and conducted by the Department in accordance with the protocols established by the Finance Department. The Department may consult with the Finance Department on the

administration of a debriefing. Departments should limit the content of the debriefing to the requesting Bidder's submission and not disclose any information related to other Bidder's pricing or scores.

5.3.Bid Protest Procedures

Unsuccessful Bidders may also formally protest the outcome of a Procurement Project. In order to avail itself of the Township's bid protest procedure, the Bidder must first request and receive a debriefing. If the Bidder still wishes to challenge the outcome of the Procurement Project, they must formally protest the outcome in writing. The Department must respond in a timely fashion to any bid protest and must respond with a schedule to address the Bidder's concerns. The appropriate Department representative, the Director of Finance and Legal Counsel must attend any bid protest meeting.

6. Contract Management

Once the contract has been signed, it is essential that it be properly managed. Departments are responsible for all aspects of contract management. The following principles must be followed with respect to the management of all Township contracts:

6.1.Formal Contract

The contract should be fully finalized and signed prior to the commencement of the services or the delivery of the goods.

6.2.Scope Management

The scope of each contract must 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.

6.3.Supplier Payment

Departments are responsible for ensuring that all payments are made in accordance with the contract and for reviewing and approving supplier invoices.

6.4.Scope & Contract Changes

If a planned contract change results in up to a 10% net increase change to the expenditure amount previously approved, approval must be sought from the CAO. CAO may only approve contract changes for approved contracts to $90,000. Any 10% change to a $90,000 or greater contract will be approved by Council. Contract scope changes that are cost neutral can be approved at the Department level but must be appropriately documented.

6.5.Contract Disputes

All potential contract disputes with suppliers must be managed in accordance with the dispute resolution mechanisms outlined in the contract. Where a contract is silent on dispute resolution, Departments should ensure that potential disputes are proactively managed and appropriately escalated. Written copies of all communications and correspondence with suppliers concerning a contract dispute must be maintained by the Department.

6.6.Performance Monitoring & Reporting

Departments must also ensure that the performance of all suppliers is appropriately monitored and recorded. Departments must maintain written records of any performance issues, including correspondence or notifications to suppliers. Ensuring that performance problems are addressed quickly and effectively and that a written record is kept of all matters connected with performance tracking is essential to proper contract management.

6.7.Contract Termination

A contract can only be terminated prior to its expiry date on the advice of CAO or Legal Counsel (if required).

6.8.Bidder Sanctions

Problematic suppliers can be potentially barred from future contracts with the Township if performance issues have been properly documented and upon seeking the advice of Legal Counsel.

7. Governance

7.1. Establishment of Framework and Source Lists

Departments should consult with the Finance Department if it wishes to establish a framework or source list for one of their frequently purchased goods or services. There are a number of different requirements to be met in order to establish a framework agreement or source list. Departments must comply with all applicable rules governing the use of source lists as set out in the Canadian Free Trade Agreement, in accordance with the process established by the Finance Department.

7.2.Procurement Records, Access to Information and Confidentiality

Proper documentation should be maintained for all stages of the Procurement Project:

7.2.1. Access to Information

The maintenance, release and management of all procurement records must be in accordance with the Township's *Records Management Policy and Retention* Bylaw. The Township is subject to the *Municipal Freedom of Information and Protection of Privacy Act*. All Departments must cooperate with the Township's information management coordinator in connection with any requests for access to procurement-related documents.

7.2.2. Confidentiality

The Township will ensure that Bidder and supplier information submitted in confidence as part of a Procurement Project is adequately protected. Departments must ensure that all Bids and contracts are kept in a secure location and only accessible by those individuals directly involved with the Procurement Project.

7.2.3. Procurement Record Keeping

Departments are responsible for ensuring that all documentation relating to the Procurement Project is properly filed. The following are the minimum requirements of what should be kept in each Procurement Project file:

- Internal drafts of all Competition Documents, including internal correspondence concerning same;
- Original copies of all final Competition Documents;
- Copies of the Procurement Project plan, together with evidence of all necessary conditional approvals;
- If using an Invitational Process, evidence of quotations obtained from suppliers (e.g., copies of emails, written submissions);
- Records of any communications with Bidders or potential Bidders
- Copies of all addenda;
- Copies of all original Bids received from Bidders; and
- All records of evaluation processes, including evaluator notes and final scores.

7.3.Supplier Qualifications

Departments must limit any conditions for participation in a Procurement Project to those that are essential to ensure that a supplier has the legal and financial capacities, and the commercial and technical abilities, to undertake the relevant procurement.

In establishing the conditions for participation, a Department:

- cannot require that the supplier has previously been awarded one or more contracts by the Township;
- may require relevant prior experience, if essential to meet the requirements of the procurement; and
- cannot require prior experience in the Township's geographic territory to be a condition of bidding on the procurement.

In assessing whether a supplier satisfies the conditions for participation, a Department shall:

- evaluate the financial capacity and the commercial and technical abilities of a supplier on the basis of that supplier's business activities both inside and outside the Township's geographic territory; and
- base its evaluation on the conditions that the Department has specified in advance in the Competition Document.

If there is supporting evidence, the Township, may exclude a supplier on grounds such as:

- bankruptcy or insolvency;
- false declarations;
- significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior contract or contracts;
- final judgments in respect of serious crimes or other serious offences;

- professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the supplier; or
- failure to pay taxes.

7.4.Negotiations

The Township may conduct negotiations with suppliers under the following circumstances:

- If the Department has indicated its intent to conduct negotiations in the Competition Document; or
- it appears from the Department's evaluation that no Bid is the most advantageous in terms of the specific evaluation criteria set out in the Competition Document.
- Notwithstanding the above, negotiations are not permitted under the Invitation to Tender format as described in 1.3.5.2 unless there is a single Bidder and only after consulting with the CAO and Legal Counsel

Departments must ensure that any elimination of suppliers participating in negotiations is carried out in accordance with the evaluation criteria set out in the Competition Document, and shall:

- if negotiations are conducted concurrently with multiple suppliers, provide a common deadline for the participating suppliers to submit any new or revised tenders; or
- if negotiations are conducted consecutively with one supplier at a time, provide a deadline for the participating supplier to submit any new or revised tender prior to proceeding to negotiate with the next ranked supplier.

In the course of negotiations, Departments must not give an unfair advantage to, or discriminate against, a supplier.

~~7.5Canadian Content~~

~~Departments may accord a preference for Canadian value-added or limit Bids to Canadian goods, services, or suppliers under the following conditions:~~

Amended pursuant to By-law No. 2026-036

- ~~the estimated expenditure is less than $100,000 for goods or services and $250,000 for construction;~~
- ~~provided that its purpose is not to avoid competition or to discriminate against any other Province's goods, services, or suppliers; and~~
- ~~the requirements are clearly disclosed to Bidders in the specific Competition Document.~~

7.5.Local Content

All Tenders, Requests for Proposal and Requests for Quotation will conform to current legislation as it relates to local, Provincial or Canadian content.

7.6.In-House Bids

Departments may be permitted to submit Bids as a supplier in cases where there is in-house expertise and capacity to take on the work without impacting other service levels. In-house bids may be used for the procurement of goods and services in the following circumstances:

- where the CAO considers it appropriate to do so; and
- when all potential suppliers are advised in the Competition Document that in-house departments will be permitted to submit Bids.

8. Disposal of Assets

Identification and disposal of surplus goods, excluding land, will be completed by the applicable Department Head, following approval from the Director of Finance, who will ensure the asset register/inventory is appropriately updated.

Surplus goods must be disposed in a manner that is open, transparent and ensures integrity, fairness, economy and efficiency and provides the Township with the highest possible return, including but not limited to:

- Trade-in towards the acquisition of other goods;
- Public auction;
- Issuance of a request for tender or quotation;
- Donating to a charitable organization registered with the Canada Revenue Agency; or
- Classifying as waste and scrapping, dismantling, destroying and / or disposing.

Township Employees or family members are not permitted to directly purchase items from the Township that have been disposed of unless through a public auction or other means that is also open to all members of the public.

9. Definitions

"Addenda or Addendum" means written changes after issuance of a Competition Document which are meant to correct errors or to clarify or disclose additional information and that will form part of the final contract;

"Bid" means a submission in response to a Competition Document;

"Bidder" means a supplier that submits a Bid;

"Bid Security" means a surety bond or other financial instrument submitted by a Bidder to the Township, upon request, which obligates the Bidder to honour their submitted Bid or forfeit the bid security value which may be up to 10% of the total value of the Bid .

"CAO" means the Chief Administrative Officer for the Corporation of the Township of South Stormont;

"Competition Document" means the document used to solicit Bids and includes Invitation to Tender (ITT); Request for Proposals (RFP); Request for Quotations (RFQ); and Request for Supplier Qualification (RFSQ);

"Competitive Process" means either an Open, Invitational, or Limited Competition;

"DoF" means the Director of Finance for the Corporation of the Township of South Stormont;

"Department" means any Department within the Corporation of the Township of South Stormont. Various departments include, but are not limited to, Administration, Building, Economic Development, Finance, Fire and Rescue, Planning, Protection of Persons and Property – Other, Recreation, Transportation Services, Waste Management, Waste Water, and Water or as may be designated by the CAO;

"Department Head" means a head of a department operating within Township of South Stormont, being the Department Head of: Building, Corporate Services, Finance, Fire and Rescue, Planning / Economic Development, and Public Works;

"Direct Award" means a contract award outside of a Competitive Process, as further defined in Section 1.4 of this document;

"Emergency" means a situation where -

- An official state of emergency is proclaimed under the *Emergency Management and Civil Protection Act*; or
- an exceptional circumstance occurs with an immediate risk to the safety or health of an employee or a member of the public; or
- there is an immediate risk of damage to public or private property;

"Formal Competitive Processes" means either an Open, Invitational or Limited Competition;

“Informal Competitive Process” means where written quotations have been directly solicited without advertisement and may be obtained by email, fax, phone or in person, as further defined in Section 1.1.3 of this document;

“Invitational Competition” means an invitation to at least three suppliers to submit Bids, as further defined in Section 1.1.4.2 of this document;

“Legal Counsel” means the Township's designated legal representative;

“Limited Competition” means a Procurement Project whose value would otherwise require an Open Competition, but the circumstances fall within one of the exceptions prescribed in Section 1.4 and as an alternative to a Direct Award, permits an Invitational Competition;

“Low Value Purchases” means a purchase of goods, services and/or construction at the thresholds indicated in this document and has the meaning assigned in Section 1.1.2 of this document;

“Major Project” means a project that is of a value, complexity, risk level or profile that requires it be given a significant allocation of attention and time from the Department, as well as the potential involvement of other departments or stakeholders;

“Open Competition” means a publicly advertised Competition Document, as defined in Schedule Section 1.1.4.1 of this document;

“Procurement” means the process by which the Township obtains goods and services to support the delivery and maintenance of municipal programs, services and infrastructure. Effective procurement is a critical support function for the Township in responsibly managing public funds;

“Procurement Project” means any purchase of goods, services or construction by one of the Township's Departments; and

“Supplier or Suppliers” means those who have been selected through a procurement process to supply goods or services to the Township.

Schedule 1

Award Approval Matrix

The recommendation for vendor selection and award of contract must be submitted to the appropriate approval authority in accordance with the following thresholds:

All Procurement Processes – All amounts are Excluding HST

Value	Approval Level Required
Up to $25,000	Department Head or designate
$25,000 and greater and up to $100,000	Department Head or designate and CAO
$100,001 or greater	Approval required from Council by resolution or by-law.