



The Corporation of the Township of Mulmur

By-Law No. 28 - 2025

Being a by-law to repeal and replace By-law #42-2022, being a by-law to establish a procurement of goods and services policy for the Corporation of the Township of Mulmur.

Whereas section 270 of the *Municipal Act*, 2001, c.25, as amended, required all municipalities and local boards to adopt and maintain a policy concerning the procurement of goods and services;

And whereas on August 3, 2022 the Council of the Township of Mulmur passed By-law #42-2022, being a by-law to establish a procurement of goods and service policy for the Corporation of the Township of Mulmur;

And whereas the Council of the Corporation of the Township of Mulmur deems it desirable to amend the procurement of goods and services policy;

Now therefore the Council of the Corporation of the Township of Mulmur hereby enacts as follows:

1. That the short title of this By-law is the "Procurement By-law";
2. That the Procurement of Goods and Services Policy attached substantially in the form hereto as Schedule "A" and forming a part of this by-law, is hereby implemented;
3. That By-law #42-2022, being a by-law to establish a procurement of goods and services policy, and any amendments thereto, are hereby repealed.
4. That this by-law shall come into force and effect immediately upon the final passing thereof.

Passed this 3rd day of December 2025.

.....
Janet Horner, Mayor

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Roseann Knechtel, Clerk

1. PURPOSE

The purpose of this policy is to:

- (a) Provide a clear description of the process involved in acquiring goods or services as required under Section 270 (1) of the *Municipal Act, 2001*. S.O. 2001 as amended;
- (b) Promote and maintain fairness, openness, and integrity in the procurement process; ensuring whenever possible, a competitive procurement process is used to obtain the best value for the taxpayer, while protecting the Township's integrity and financial interests;
- (c) Clearly identify circumstances where Non-Competitive Procurements may be permitted; and
- (d) Describe the roles, responsibilities and authorities of the Township's staff, Council, or Purchasing Designates involved in the procurement process.

2. DEFINITIONS

Bid shall mean the response submitted by a Bidder in response to a Call Document.

Bidder shall mean any legal entity that submits a Bid in response to a Call Document.

Buying Group shall mean a group of two or more members that combines the purchasing requirements and activities of the members of the group into one joint procurement process. Buying groups include cooperative arrangements in which individual members administer the procurement function for specific contracts for the group, and more formal corporate arrangements in which the buying group administers procurement for group members. Buying groups may consist of a variety of entities, including any combination of procuring entities, private sector entities, or not-for-profit organizations.

Call Document shall mean the procurement document issued by the Township to solicit Bids from Bidders and includes, but is not limited to:

- (a) Request for Quotation;
- (b) Request for Quotation-Invitational;
- (c) Request for Tender;
- (d) Request for Proposal, and
- (e) Request for Pre-Qualification.

CAO shall mean the Chief Administrative Officer of the Township of Mulmur.

CFTA Threshold means the threshold for covered procurements specified in Article 504(3)(b)(i) of the Canadian Free Trade Agreement (CFTA), as updated from time to time in accordance with the CFTA and published on the Internal Trade Secretariat website (cfta-alec.ca). **Commodity Market** shall mean traded commodity products such as energy products (e.g. gas, oil), precious metals (e.g. gold, silver, platinum) and certain agricultural products (e.g. wheat, corn, sugar), etc.

Competitive Procurement Process shall mean the process of soliciting Bids from competing Bidders using an "Open Competitive" or "Invitational Competitive" procurement process.

Construction shall mean the process of utilizing labour to carry out construction operations to build, alter, repair, improve, partially or fully demolish any structure, building or land.

Contract shall mean a legally enforceable agreement between the Township and a Vendor for the procurement of goods and services, which may be in the form of a written agreement executed by the parties, or a Purchase Order issued by the Township to the Vendor.

Consulting Services shall mean the provision of expertise or strategic advice that is provided by individuals or organizations who possess specific knowledge, technical skills, or unique abilities, and may include architects, engineers, designers, surveyors, geo-technical consultants, planners, technology consultants and any other professional services which may be required by the Township.

Contract Award shall mean a formal written notice in acceptance of a Bid or proposal to enter a contract for goods or services.

Contractor shall mean a Vendor that is a party to a Contract for the supply of Goods or Services to the Township.

Cooperative Purchasing shall mean a variety of arrangements whereby two or more public procurement entities combine their requirements in a single procurement process to obtain advantages of volume purchases from the same Vendor(s) or contractor(s) using a single competitive process.

Council shall mean the Municipal Council for the Township of Mulmur.

Department shall mean the Township's department requesting the purchase of goods or services.

Department Head shall mean the head of a department for the Township.

Electronic Portal shall mean an electronic-based system that provides Vendors with access to information related to open competitive procurements.

Emergency shall mean a situation where a purchase of goods or services requires immediate action and the competitive Bidding process is waived, modified or simplified to address any of the following unexpected circumstances:

- (a) An imminent or actual danger to the life, health or safety of Council, staff or the public while acting on behalf of the Township;
- (b) An imminent or actual danger of injury to or destruction of real or personal property belonging to the Township, for which the Township would be liable;
- (c) An unexpected interruption or threat of an interruption of an essential public service;
- (d) An emergency as defined by the *Emergency Management Act*;
- (e) A spill of a pollutant or contaminant as identified in the Environmental Protection Act: and
- (f) An emergency so declared by the Mayor in accordance with the Emergency Management and Civil Protection Act

Goods shall mean moveable property, including supplies, equipment, materials, products, software, furniture, structures, and fixtures, and does not include real property.

Invitational Competitive Process shall mean a competitive process where the Township invites selected Vendors to submit Bids without public advertisement.

Non-Competitive Procurement Process shall mean the Goods, Services or Construction acquired directly from a particular Vendor without conducting a competitive process.

Open Competitive Procurement Process shall mean the solicitation of Bids by public advertisement on an open electronic portal such as the Township's website or on such other tendering website established to facilitate compliance with applicable trade agreements.

Procurement shall mean the purchase of Goods, Services or Construction through buying, renting or leasing.

Purchase Order or **PO** means a purchase order number, or a purchase order document, issued by the Township that confirms the Township's commitment to procure a specific quantity of Goods or Services from a Vendor or Contractor.

Purchasing Designate shall mean a person or agent designated by a Department Head to exercise any or all responsibilities of that Department Head with respect to this policy.

Request for Expressions of Interest (EOI) shall mean a document issued by the Township during the very early stage of the procurement planning process to provide potential Vendors with an option to register their interest in being involved in a particular project or providing specific goods or services.

Request for Information (RFI) shall mean a document issued by the Township during the very early stage of the procurement planning process to solicit useful information or input from potential Vendors.

Request For Quotation (RFQ) shall mean an open competitive procurement process in which the Township seeks non-binding quotes for Goods, Services or Construction through an open and public procurement process.

Request For Quotation-Invitational (RFQ-I) shall mean an invitational competitive procurement process in which the Township seeks quotes for Goods, Services or Construction from at least three Vendors by invitation.

Request for Prequalification (RFPQ) shall mean a pre-qualification process issued by the Township to obtain information from Vendors interested in submitting Bids for a particular Project, or to be placed on an "approved Vendor" list. Only those successful Bidders who meet the qualification criteria will be included in the subsequent procurement process.

Request for Proposal (RFP) shall mean the non-binding process used to solicit proposals for the purchase of Goods, Services or Construction where a clearly defined specification is not available or is difficult to develop due to unknown factors or uncertainty of requirements, the expectation is that the Contract Award will be made to the highest-ranking Vendor (proponent) meeting the requirements of the RFP Call Document. An RFP may include provisions to negotiate terms prior to Contract Award.

Request for Tender (RFT) shall mean the request for Bids where the specifications are clearly defined, and the expectation is the Contract Award will be made to the lowest qualified Bidder meeting the requirements of the RFT document.

Services shall mean all Services, including Construction and consulting Services, unless otherwise specified.

Small Order Purchases (SMO) shall mean the purchase of Goods, Services or Construction up to an amount specified in the procurement policy and where the requirements are clearly defined.

Staff shall mean an employee of the Township of Mulmur.

Standing Offer shall mean an agreement that contemplates the potential purchase of goods or services from a specific Vendor over a defined period of time. Quantities and delivery dates are specified at the time a purchase is made pursuant to the Standing Offer agreement.

Surplus Goods shall mean Goods or materials that are obsolete or no longer needed by the Township and are designated for disposal.

Township shall mean the Corporation of the Township of Mulmur.

Trade Agreements means any applicable domestic or international trade agreement including the Canadian Free Trade Agreement (CFTA), the Canadian and European Union Comprehensive Economic and Trade Agreement (CETA), and the Trade and Cooperation Agreement Between Ontario and Quebec (OQTCA).

Treasurer shall mean the Treasurer of the Township of Mulmur.

Vendor shall mean any individual, company, group, or business that may supply or is supplying the Township with Goods, Services or Construction.

3. APPLICATION

- (a) This policy governs the procurement of Goods and Services, whether by purchase, lease or rent using Township funds from all resources and applies to all Departments;
- (b) This policy does not apply to the items listed in Schedule "A"; and
- (c) The CAO has overall responsibility administering this policy.

4. ROLES & RESPONSIBILITIES

Specific responsibilities pertaining to all stages of a procurement process, from the initial budget approval, identification of requirements through to the management of contracts with Vendors, are detailed in this policy and the Township's procurement procedures. In addition to those specific responsibilities, outlined below are the general roles and responsibilities delegated to Township Council, staff and Purchasing Designates.

(a) **Council**

- (i) The Council of the Township has ultimate authority for this policy, and all expenditures. Council delegates this authority by the authorization of budgets or by specific resolution. The Treasurer cannot pay for any item that has not been authorized by Council through budget appropriation or specific resolution.
- (ii) Resolutions approving budget amendments, capital expenditures or special appropriations shall reference the purpose of the expenditure, cost estimates or expenditure limitation, as well as the fund in which the appropriation has been provided.

(b) **Department Head**

- (i) Preceding the procurement of any Goods, Services or Construction, it is the responsibility of the Department Head to ensure the budget is approved for such expenditure.

(ii) The Department Head shall also ensure that:

- Their authority is exercised for all procurement activity within the prescribed limits of this policy.
- All staff included in the Procurement process receive adequate training.
- Establish procurement plans and allow sufficient time to complete the procurement as stipulated in the associated Call Document procedure while considering applicable laws and trade agreements.
- Unbudgeted capital projects are approved by Council prior to procurement planning.
- Capital projects that exceed the budgeted amount by more than \$20,000 receive Council approval.
- Monitor all contract expenditures to ensure compliance with budget limits.
- Contracts are managed in accordance with this policy and all applicable procedures and protocols to ensure that both the Township and the Vendor fulfil their contract requirements.
- Vendor performances are documented and monitored in accordance with applicable procedures.
- The Treasurer is notified in writing regarding the name of any Purchasing Designate.

(c) **CAO**

Notwithstanding any other provisions of this policy, the CAO:

- (i) Is accountable for the proper administration and compliance with this policy within the Township.
- (ii) May either approve or sign documents in place of lower-level staff, or override the decisions made by lower-level Approval Authorities, if necessary.

(d) **Treasurer**

Notwithstanding any other provisions of this policy, the Treasurer:

- (i) Is responsible for the development of procedures consistent with this policy, and shall assist Department Heads, as appropriate, in the interpretation of this policy and related procedures.
 - (ii) Is responsible for the approval of participation in Group Purchasing Organizations (GPOs).
- (e) Is also responsible for communicating the CFTA Threshold and applicable updates to the CFTA Threshold in writing to staff. **Purchasing Designate**
- (i) A Purchasing Designate is a person or agent designated by a Department Head to exercise any or all responsibilities of that Department Head with respect to this

policy. This role may be assigned to the Township's Engineer, Solicitor, or any staff or other agent of or assigned by the Township; and

- (ii) The Purchasing Designate must clearly understand their role and responsibilities and must be qualified to administer all procurement functions under this policy and procurement procedures.

5. GENERAL PROVISIONS

(a) **Split Purchasing**

No staff or Council member of the Township shall divide, stagger, or alter any contract or purchase to avoid any requirements of this policy.

(b) **Staff, Council, and Purchasing Designates Ethical Procurement Practices**

All staff, Council, or Purchasing Designates of the Township authorized to purchase Goods and Services on behalf of the Township must:

- (i) Act with integrity and transparency by ensuring open and honest dealings with everyone involved in the procurement process;
- (ii) Administer fair and impartial competitive procurement processes and make unbiased contract award recommendations. This means that the Township will treat all Vendors equally and will not extend preferential treatment to any Vendor, including local companies;
- (iii) No staff or Council of the Township shall purchase or offer to purchase on behalf of the Township any Goods, Services or Construction except in accordance with the policy.

(c) **Conflict of Interest**

Where a Council, staff or Purchasing Designate of the Township, either on his or her behalf or while acting for, by, with or through another, has any interest, directly or indirectly in any procurement matter, such individual:

- (i) Shall not take part in the procurement process for which the conflict exists;
- (ii) Shall, prior to any discussion or consideration of the matter at any meeting, disclose the interest and the general nature thereof; and
- (iii) Shall not attempt in any way whether before, during or after the meeting to influence the voting in respect of the matter.

(d) **Disclosure**

All Council, staff, or Purchasing Designates of the Township authorized to purchase Goods, Services and/or Construction on behalf of the Township shall not provide to any particular Vendor information that might prejudice fair competition between Bidders.

(e) **Gifts, Favours or Gratuities**

The Township of Mulmur prohibits the acceptance of gifts, favours or gratuities directly or indirectly, by Township's staff, Council, or Purchasing Designates, in return for business or the consideration of business.

6. VENDOR CODE OF CONDUCT

The Township is committed to conducting business in a lawful and ethical manner and requires that all Vendors abide by this Code of Conduct. Failure to comply with this Code may be sufficient cause for the Township to exercise its rights to terminate any business relationship with Vendors. Vendors and their sub-contractors must comply with all applicable municipal, provincial and federal laws and regulations.

(a) **Conflict of Interest and Non-Disclosure**

All Vendors shall disclose any potential conflict of interest to the Township when submitting a Bid and prior to entering into a contract. The Township may choose not to accept a Bid or enter into a contract unless and until the potential conflict can be satisfactorily resolved. Such potential conflicts of interest include but are not limited to:

- (i) Engaging any family members, friends or private business associates of any Council member, staff, or Purchasing Designate which may have, or appear to have influence on the procurement process;
- (ii) Any involvement by the Vendor or affiliated persons in developing the technical specifications or other evaluation criteria or component for the Call Document; and
- (iii) Access to confidential project information by the Vendor, or affiliated persons, that is materially related to the Call Document and that was not readily accessible to other prospective Vendors.

(b) **Disclosure**

- (i) Vendors must maintain confidentiality of any confidential Township information disclosed to the Vendor as part of the procurement process; and
- (ii) All Vendors' Bid information will be subject to the confidentiality and disclosure requirements of the *Municipal Freedom of Information and Protection of Privacy Act, 1990*.

(c) **Unethical Procurement Practices**

Unethical Bidding practices includes:

- (i) Bid-rigging, price-fixing, bribery, coercion, collusion (Bid coordination) or other conduct or practices prohibited by provincial or federal laws;
- (ii) Attempting to gain favour or advantage by offering gifts, incentives or gratuities to Township's staff, members of Council or any other representative of the Township during a procurement process;
- (iii) Lobbying members of Council, staff, or Purchasing Designates or engaging in any prohibited communications during a procurement process;
- (iv) Intentionally submitting inaccurate or misleading information in response to a procurement opportunity; and
- (v) Participating in any other activity that compromises the Township's ability to run a fair procurement process.

(d) **Illegality**

Prior to submitting a Bid, a Bidder shall advise the Township of any previous convictions of itself or its affiliated persons for any unethical Bidding practice or other similar conduct under the Criminal Code, the Competition Act or other applicable laws, for which a pardon has not been granted. The Township will not consider or accept any Bid for Goods, Services or Construction from Bidders to which a pardon has not been granted for any previous convictions relative to any unethical Bidding practices or similar conduct punishable by law.

(e) **Gifts, Favours or Gratuities**

To avoid any appearance or assumptions of favoritism, in return for business or the consideration of business, the Township prohibits Vendors from offering gifts, favours or gratuities directly or indirectly, to Township's staff, Council, Purchasing Designates or any other representatives of the Township.

(f) **Vendor Exclusion and Disqualification**

The Township may exclude a Vendor or disqualify a Bidder from a competitive procurement process if:

- (i) The Vendor is currently or has previously engaged in a legal dispute with the Township relating to a procurement process or a contract for the supply of Goods or Services;

- (ii) The Township has determined that the Vendor's performance under one or more prior contracts with the Township was unsatisfactory, and the Vendor has failed to rectify the Township's concerns regarding the past performance;
- (iii) The Vendor has a conflict of interest, or the Vendor has failed to disclose any actual or potential conflict of interest; and
- (iv) The Vendor or its affiliated persons have engaged in illegal or unethical procurement practices for which a pardon has not been granted.

(g) **Harassment & Abuse**

Vendors shall ensure all workers are treated with respect and dignity. No form of discipline involving corporal punishment, abuse, or harassment (whether psychological, sexual or verbal) is permitted. Disciplinary measures shall comply with local laws and internationally recognized human rights. No Vendor employee or worker raising a complaint based on this Vendor Code of Conduct, or based on applicable laws, shall be subject to disciplinary action or reprisal.

(h) **Discrimination / Human Rights**

The Township will not knowingly enter into a contract with any Vendor that discriminates on the basis of, social background, political affiliation, sexual orientation or any other grounds of discrimination prohibited under the *Canadian Human Rights Act*.

7. PROCUREMENT PROCESS

(a) **Unsolicited Bid**

- (i) All unsolicited Bids, including any offers for presentations or product/service trials submitted to the Township with the expectation on the part of the submitter of obtaining consideration for an ensuing contract or purchase by the Township must be directed to the respective Department Head and the CAO for review and approval for acceptance.
- (ii) In the event an actual Goods/Services product presentation or demonstration would be required in advance of a purchase decision, such presentation or demonstration should be included as part of the formal competitive Bid process.
- (iii) Any procurement resulting from the receipt of an unsolicited Bid must comply with the provisions of this Procurement policy.
- (iv) In the absence of a competitive process, a contract may only be awarded in respect of an unsolicited proposal if a Non-Competitive Procurement is permitted in accordance with this policy and all applicable procedures.

(b) **Market Research**

If the Township requires information about required Goods and Services or the availability of Vendors in the market, a Department Head may conduct a Request for Information (RFI) or Request for Expression of Interest (REOI) process. The RFI or REOI process may be publicly advertised to gather market research from any prospective Vendors. These processes do not create any obligation between the Township and potential Vendors.

(c) **Cooperative Purchasing**

- (i) Subject to the requirements of this policy, the Township may participate with other government entities, their agencies or public authorities in cooperative purchases, or purchase from established Buying Group contracts, when such purchases is considered to be most advantageous and in the best interest of the Township.
- (ii) The Township shall publish a notice of its participation with the Buying Group at least annually on the tendering website normally used by the Township. The notice shall direct potential Vendors to the Buying Group tendering website if it is different from the Township's tendering website.
- (iii) Once the Treasurer has approved the Township's participation in a Buying Group, a Department Head may procure from a Buying Group contract or participate in a procurement process administered by the Buying Group without undergoing a competitive procurement process as required by this policy. However, approvals to the award of the Contract must still be obtained prior to committing the Township to purchase any Goods or Services. See Schedule "B" - "Procurement Thresholds and Contract Amendment Spending Authority" for more information.

(d) **Competitive Procurement Process**

Depending on the type and value of the Goods, Services or Construction required, as noted in TABLE "A" below, Standard Procurement Processes include but are not limited to:

- (i) Making Small Order Purchases;
- (ii) Soliciting Bids using an Invitational Competitive Process from a minimum of three Vendors (See RFQ-I); or
- (iii) Conducting an Open Competitive Process by publicly advertising and posting the Call Document using one of the following procurement methods:
 - Request for Quotation (RFQ)
 - Request for Tender (RFT)

- Request for Proposal (RFP)
- Request for Pre-Qualification (RFPQ)

TABLE "A" - STANDARD PROCUREMENT PROCESS

<u>Estimated Contract Value</u>	<u>Procurement Strategy</u>	<u>Permitted Procurement Methods</u>
<u>\$1,000 to \$25,000</u>	<u>Small Order Purchase</u> Staff are strongly encouraged, whenever possible, to compare prices for Good or Services, and obtain competitive quotes from multiple qualified Vendors.	<u>Credit card, purchase order</u>
<u>\$25,001 to CFTA Threshold</u>	<u>Invitational Competitive Process</u> The Township may use a Non-Competitive Procurement Process if the Contract Value is over \$25,000 and up to the CFTA Threshold where it is determined by the CAO or Treasurer that seeking competitive quotes is not in the best interest of the Township. When using a Non-Competitive Procurement Process, Staff must solicit Bids by informally requesting, in writing, quotations from at least three or more qualified Vendors. (RFQ-I). If fewer than three qualified Vendors are available, staff must document a justification for inviting fewer than three Vendors and proceed. OR <u>Open Competitive Process</u> Staff may, as appropriate, solicit Bids by publicly advertising and posting a Call Document. (RFQ, RFP)	<u>RFQ-I, RFQ, RFP</u>
<u>Greater than CFTA Threshold</u>	<u>Open Competitive Process</u> Staff must solicit Bids by publicly advertising and posting a Call Document. (RFP, RFT)	<u>RFT, RFP</u>

(e) **Standing Offers**

- (i) Where the Township anticipates it will have a recurring need for specific Goods or Services but is unable to commit to specific quantities in advance, the Township may conduct an Open Competitive Process to establish a Standing Offer with one or more Vendors.

(f) **Prequalified Vendor Lists**

- (i) The Township may establish lists of prequalified Vendors, also called a Vendor of Record (VOR) list, for purposes of future purchases of specific Goods or Services by publishing, on the Township's designated tendering website, a request for prequalification (RFPQ).
- (ii) Once a VOR list is established, purchases may be made by following the Invitational Competitive Process from the prequalified Vendors on such lists.
- (iii) Unless the prequalified Vendor list remains open to new Vendors, it must be refreshed every three (3) years.

(g) **Local Considerations**

- (i) When selecting Vendors for Small Order Purchases or as part of an Invitational Competitive Process (RFQ-I), Department Heads are encouraged, where possible, to consider or seek quotes from qualified Vendors that are residents of, or operate out of, the Township.

(h) **Advertising and Bid Submissions**

- (i) All Open Competitive Processes will be advertised on an electronic portal such as the Township's website or on such other tendering website established to facilitate compliance with trade agreements. Procurements shall be advertised for reasonable time periods taking into account:
 - The nature and complexity of the procurement; and
 - The extent of subcontracting anticipated
- (ii) Bids are to be submitted electronically on the Township's electronic portal or on such other means as specified in the Call Document.

(i) **Bid Evaluation**

Bids must be evaluated in accordance with the evaluation method described in the Call Document. When using a Request for Proposals, an Evaluation Team consisting of at least two people must evaluate and score the Bids based on the Evaluation Criteria that are disclosed in the Call Document.

(j) **Cancellation**

The Township shall have the unfettered right to cancel any procurement process at any stage and shall not be obliged to accept any Bid or award any contract.

(k) **Contract Award**

The authority to approve the award of a contract and execute an agreement is based on the Department Head's level of spending authority (Reference the attached Schedule "B").

(l) **Vendor Debrief**

Where the Township has conducted a competitive procurement process, unsuccessful Bidders may request a debrief. Debriefings will be conducted in accordance with the Township's procedures.

(m) **Procurement Protests**

Vendors may formally protest the outcome of a procurement process. Formal protests must be made by Vendors and responded to by the Township staff all in accordance with the Township's Procurement Protest procedure. A Vendor debrief is a pre-requisite to filing a formal Procurement Protest.

(n) **Non-Competitive Procurements**

The Township will make every attempt to obtain Goods, Services and Construction using a competitive procurement process. However, there are instances when the Township may allow the purchase of Goods, Services, or Construction without seeking pricing from alternate Vendors competitively. Schedule "C" of this policy describes circumstances where the Township will permit a Non-Competitive Procurement to acquire Goods, Services, or Construction.

(o) **Environmental Procurement**

The Township is committed to the purchase of Goods and Services with due regard to the preservation of the natural environment and to encourage the use of environmentally friendly products and services.

(p) **Disposal of Surplus Goods**

The Township will dispose of surplus Goods by either transferring them to other departments or agencies, or by selling, donating, recycling, scrapping or disposing of them.

(q) **Renewal, Extension, and Termination of Contract**

- (i) **Authority to Extend the Term of a Contract:** Department Heads are authorized to extend the duration of a Contract if the following conditions are met:
- the Department Head has the required Expenditure Authority; and

- the Contract includes an option to extend the term.

A Contract that does not include an option to extend may only be extended if a non-competitive procurement process is authorized in accordance with this policy, or an amendment to add Goods or Services to a Contract is otherwise permitted by this policy.

- (ii) Authority to Add Goods or Services to a Contract (e.g. change orders and use of contingency): Department Heads are authorized to amend Contracts to add Goods or Services without a further competitive process provided the following conditions are met:

- the Department Head has the required Spending Authority; and
- the Contract either includes an option to add the class of Goods or Services or the addition of Goods or Services is deemed by the Department Head with the CAO's approval, to be necessary for the completion of the original project.

Where the conditions in this paragraph are not met, the Contract may only be amended to add Goods or Services if (a) a non-competitive procurement process is authorized in accordance with this policy or (b) the value of the amendment is greater than \$25,000 and the amendment is approved by Council.

- (iii) Authority to Terminate Contracts: Contracts may only be terminated by the Township prior to the Contract expiration date with the CAO's approval.

8. CONTRACT MANAGEMENT AND VENDOR PERFORMANCE

- (a) The Township's Department Heads or Purchasing Designates are responsible for managing contracts and monitoring the performance of Vendors in accordance with applicable procedures;
- (b) Performance evaluations may be undertaken on Vendors during or at the end of a contract;
- (c) The Department Head may take actions for unsatisfactory performance such as Vendor suspension from future procurement opportunities, in instances where Vendors do not fulfill their contract obligations with the Township; and
- (d) A contract may only be terminated prior to its expiration date with the approval of the CAO in accordance with applicable procedures.

9. ACCESSIBILITY

- (a) The Township will comply with the requirements of the Ontario Human Rights Code, the *Accessibility for Ontarians with Disabilities Act, 2005* and its associated standards enacted through regulation when procuring Goods and Services.

- (b) The Township is committed to considering accessibility for people with disabilities and incorporating accessibility features when developing specifications for required Goods and Services.
- (c) The Township requires that Vendors who deal with members of the public on behalf of the Township be adequately trained and comply with accessibility standards.

10. ANNUAL REPORT TO COUNCIL

The Treasurer shall submit an annual procurement information report to Council to provide the following information about the Township's activities:

- (a) Procurement activities with a procurement value equal to or greater than the CFTA Threshold;
- (b) The circumstances and details of any emergency purchase(s) with a procurement value equal to or greater than the CFTA Threshold; and
- (c) The circumstances and details of all non-competitive procurements with a procurement value equal to or greater than the CFTA Threshold.

11. SCHEDULES

- (f) Schedule "A" to this Policy – Exemptions to Procurements forms an integral part of this policy and is attached hereto;
- (g) Schedule "B" to this Policy – Procurement Threshold, Contract Amendment and Spending Authority, forms an integral part of this policy and is attached hereto; and
- (h) Schedule "C" to this Policy – Non-Competitive Procurement forms an integral part of this policy and is attached hereto.

SCHEDULE "A" – EXEMPTIONS TO PROCUREMENT

Notwithstanding the above adherence to the Competitive Procurement Process in this Procurement Policy, such process shall not be required for the items listed below, or to any other transaction specifically authorized by resolution of Council to be exempt from this policy.

For clarity, where a transaction or contract is exempted from this policy, any Goods or Services procured through that contract are also exempt from the competitive procurement rules and contract notification requirements in the policy.

Acquiring the following Goods or Services:

- (a) Goods purchased on a commodity market.
- (b) Payments to the Federal, Provincial, or other municipalities, boards or agencies for Goods or Services provided to the Township.
- (c) Any Federal, Provincial or Municipal mandated programs.
- (d) Goods or Services the supply of which is controlled by a statutory monopoly.
- (e) On-going Services being provided to the Township that were not obtained through a Competitive Process prior to the enactment of this policy. Department Heads may recommend to Council that the Service be continued, or that a Call Document be issued or that quotations be obtained at the time of renewal.
- (f) Work to be performed on property under the provisions of a lease, warranty or guarantee held in respect of the property or the original work.
- (g) The following Goods and Services related to training and education:
 - (i) Subscriptions to newspapers, magazines, or other periodicals
 - (ii) Conferences, courses, and seminars
 - (iii) Facilitators and/or hosts
 - (iv) Memberships
 - (v) Computer software for educational purposes
- (h) Services provided by the following licensed professionals:
 - (i) Medical doctors, dentists, nurses, and pharmacists
 - (ii) Lawyers and any other professionals related to litigation or legal matters
 - (iii) Notaries
- (i) The following specialized Services:
 - (i) Management of investments (this includes borrowing and investing of money) by organizations who have such functions as a primary purpose
 - (ii) Honorariums
 - (iii) Expert witnesses

(iv) Arbitrators and mediators

This policy does not apply to payment of the Township's general expenses, such as:

- (a) Employment contracts and refundable staff and Council expenses (e.g., meal allowances, travel, miscellaneous)
- (b) Payroll deductions
- (c) Human Resources consulting fees with respect of staff matters
- (d) Staff benefits
- (e) Damage claims
- (f) Claim settlements
- (g) Adjuster services
- (h) Debenture payments
- (i) Grants and donations
- (j) Refunds
- (k) Legal settlements
- (l) Licenses (including hardware and software licenses and maintenance contracts)
- (m) Hardware and software required to maintain existing products and systems originally obtained in accordance with the Procurement Policy
- (j) Utilities
- (k) Acquisition or rental of land, real property payments including land, buildings, leasehold interests, easements, encroachments and licenses, or the like.
- (l) Purchases from other government entities.
- (m) Procurement of Goods or Services from philanthropic institutions, non-profit organizations.
- (n) Procurement or acquisition of fiscal agency or depository Services (banking Services).
- (o) Insurance claims, legal settlements and grievance settlements.
- (p) Binding orders, judgments or decisions of an arbitrator, tribunal or court.
- (q) Any form of financial assistance, such as grants, loans, equity infusions, guarantees, and fiscal incentives.
- (r) Refundable travel expenses.



Procurement Policy

SCHEDULE "B" PROCUREMENT THRESHOLDS AND CONTRACT AMENDMENT SPENDING AUTHORITY

Procurement Threshold and Spending Authority

Estimated Value	Competitive Procurement	Non-Competitive Procurement
\$1000 to \$25,000	Department Head (or Department Staff Designate)	Department Head (or Department Staff Designate)
<u>\$25,001 to CFTA Threshold</u>	Department Head (or Department Staff Designate)	Township Council
<u>Greater than CFTA Threshold</u>	Department Head	Township Council

Note: Council approval is required for any Procurement exceeding \$25,000 of the approved budgeted amount.

Contract Amendment and Spending Authority

Estimated Value	Competitive Procurement of Goods	Non-Competitive Procurement
Less than \$25,000 over budget	Treasurer or CAO	Treasurer or CAO
Greater than \$25,000 over budget	Township Council	Township Council

Note: Staff may only extend or increase an existing Contract if the Contract includes an option to extend or the increase is for additional Goods or Services that are directly connected or incidental to the original scope of the Contract.

SCHEDULE "C"– NON-COMPETITIVE PROCUREMENT

Goods, Services and Construction may only be acquired through a Non-Competitive Procurement Process under the following circumstances if:

- (a) During the Competitive Procurement Process conducted under this policy and applicable procedures:
 - (i) No Bids were submitted or no Vendors requested participation;
 - (ii) No compliant Bids that conform to the mandatory requirements of the Bid document were submitted;
 - (iii) No Vendors satisfied the conditions for participation; and
 - (iv) The submitted Bids were collusive.
- (b) The Goods, Services or Construction can only be supplied by a particular Vendor and no reasonable alternative or substitute Goods or Services exist for any of the following reasons included but not limited to:
 - (i) The protection of patents, copyrights, or exclusive rights; and
 - (ii) To ensure compatibility with existing Goods, or to maintain specialized Goods that must be maintained by the manufacturer of those Goods or its representative.
- (c) Additional deliveries are required for a project by the original Vendor of Goods, Services or Construction that were not included in the initial Call Document, and a change of Vendor 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 Township.
- (d) For any reasons of urgency brought about by events unforeseeable by the Township or during an emergency, when the Goods or Services could not be obtained in time using an open or invitational Competitive Procurement Process.
- (e) If the Township 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.
- (f) For purchases made under exceptionally advantageous conditions 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 Vendors.
- (g) If a contract is awarded to a winner of a design contest provided that the contest has been organized in a manner that is consistent with the principles of this policy in particular relating to the publication of a Call Document notice and the participants are judged by an independent jury with a view to a design contract being awarded to a winner.

- (h) If Goods or Services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open Competitive Procurement Process could reasonably be expected to compromise government confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.