

Municipality of Casselman

By-law #2024-44

Being a By-law to Adopt a Procurement of Goods and Services Policy

Whereas it is deemed desirable to establish a policy to direct the purchase of goods and services by the various departments within the Municipality;

Whereas it is necessary to establish minimum requirements to ensure the Municipality follows a clear process for obtaining goods and services;

And Whereas Section 270 of the Municipal Act, S.O., 2001, as amended provides that a municipality shall adopt and maintain policies with respect to its procurement of goods and services;

Therefore, the Council of the Municipality of Casselman enacts as follows:

Section 1

That the Procurement of Goods and Services Policy as outline in Schedule "A" attached hereto, is adopted by Council.

Section 2

That this By-law be referred as the "Procurement Policy By-law".

Section 3

That the previous F1 and F2 policies are hereby replaced by this by-law.

Section 4

That this by-law shall come into force and take effect immediately upon the final passing thereof.

Read, passed and adopted in open council this 8th day of October, 2024.

Geneviève Lajoie, Mayor

Sébastien Dion, Clerk



Title:
Procurement Policy By-Law

Policy No.: F1

Revisions:
October 8, 2024

Effective Date:
October 8, 2024

Applies to:
All Departments

Procurement Policy By-Law

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Procurement Policy By-Law

1. Policy Statement

1.1 Statement

This Policy is intended to:

- a. Express the Municipality's principles and objectives in relation to its procurement program;
- b. Authorize the CAO or the Treasurer to implement detailed procurement procedures and protocols that are consistent with the intent of this Procurement Policy and, to supplement and amend those procedures and protocols as and when deemed necessary, to meet the present and future needs of the Municipality; and
- c. Comply with the requirements of Section 270 of the Municipal Act, S.O., 2001, as amended from time to time.

1.2 Principles

Procurement is the process by which the Municipality acquires Goods and Services. Effective procurement is a critical support function for local governments as they responsibly manage public funds. The objective of this Procurement Policy is to ensure that the Municipality conducts Procurement Processes that conform to the following principles:

1. Compliance with all applicable laws, regulations, by-laws, policies and trade agreements as further set out in this Procurement Policy;
2. Consistency with other Municipal by-laws, policies and procedures;
3. Open, fair and transparent procurement that affords equal access to all qualified suppliers;
4. Reciprocal non-discrimination and geographic neutrality with respect to Ontario's trading partners;
5. Achieving best value for the Municipality for the expenditure of public funds through consideration of each Solicitation Document type, Procurement Process method and the adoption of Commercially Reasonable Business Practices;
6. Effective balance between accountability and efficiency; and
7. Ensuring adherence to the highest standards of ethical conduct

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2. Policy Definitions

“Award” means authorization to proceed with the purchase of goods and services from a chosen supplier

“Bid(s)” means a proposal from a prospective Supplier in response to a Request for Quotations, Request for Tenders, or other Bid Request for the purchase of goods or Services issued by the Municipality, which is subject to acceptance or rejection. All Bids must be submitted on the Bidding System used by the Municipality.

“Bid Request” means all documents which solicit a response with respect to Supplies or Services, including, but not limited to, a Request for Information, Request for Proposals, Request for Quotations, or Request for Tenders.

“Bidder” means any proponent, respondent, or other person or entity who has obtained official Procurement documents for the purpose of submitting or who has submitted a Bid in response to a Bid Request.

“Bidding System” means the electronic Bidding System used by the Municipality to manage the electronic Bid process for a Bid Request from an invitation to electronically receive Bids. This includes, but is not limited to, providing for Supplier Account registration by commodity(ies) code, Bid advertising and electronic notification of Bid opportunities based upon Supplier-selected commodity(ies), Bidder registration as Registered Supplier, electronic distribution of Bid documents, and any applicable addenda to Registered Suppliers, permitting Bidders to submit a question to the Procurement Representative, submission and withdrawal and/or editing of Bids through the Bidding System no later than the closing time and date, automatic notification of unofficial results after the closing of Bids, Award notification, and Contract management by the Municipality. The Municipality Bidding System website is <https://casselman.bidsandtenders.ca>.

“Bid Solicitation” is an invitation for bids from the Municipality for the purpose of entering into a contract.

“Chief Administrative Officer or CAO” is the person appointed to that position as approved by Council and includes his or her Designate.

“Competitive” is a procurement process where more than one bidder is provided the opportunity to submit a bid.

“Compliant Bid or Compliant Bidder/Proponent” means a responsive and responsible Bid or Bidder/Proponent that submits a Bid, respectively, that meets all requirements stipulated in the Call for Bid and that possesses the capacity and ability, including financial and technical abilities, to perform as contractually required.

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“Competitive Procurement Procedures” refer to the procedures outlined in Schedule B.

“Conflict of Interest” is a situation in which, due to financial or other personal considerations, there is a risk that professional judgment, objectivity or actions have the potential to compromise or unduly influence a procurement outcome, whether real or perceived.

“Consulting Services” are services of an advisory nature required to support policy development, decision-making, administration, or management of a business or public entity; generally provided by individuals or organizations who possess specific knowledge, technical skills or unique abilities not usually available in-house or from within the Municipality.

“Contract” means a binding agreement between two or more parties that creates an obligation to provide or sell goods or perform Services, which may be evidenced by an agreement executed by the Municipality and a Supplier in accordance with this Policy.

“Contractor” means a person or entity having a Contract with the Municipality for the delivery of goods or Services.

“Council” means the Council of the Corporation of the Municipality of Casselman

“Council approval” refers to a specific resolution or by-law passed by the council.

“Department” is one of the Municipality’s business units, departments or divisions;

“Department Head” means the person responsible for the management and operational control of a Department within the Municipality.

“Designate” means an employee designated by a Department Head and approved by the Chief Administrative Officer to exercise any or all responsibilities with respect to this Policy.

“Director of operations” is the person appointed to that position as approved by Council and includes his or her Designate.

“Emergency Purchase” is an Acquisition that does not follow the regular procurement process because of a circumstance described in Section 15 of this Policy.

“Formal Quote” is a written and documented submission by the Bidder for purchases.

“Invoice” means a document showing the details and the cost of goods purchased and/or Services received from a Supplier. An Invoice shall clearly identify the Supplier, be

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addressed to the Municipality, and show the sales tax charged on goods and Services as well as the sales tax number.

“Lease” is an agreement by which one party (lessee) leases from a second party (lessor) equipment or space for a specified period of time at a predetermined cost.

“Municipality” means The Corporation of the Municipality of Casselman;

“Procurement” means the acquisition by any means, including by purchase, rental, lease of goods, Services, or Construction;

“Procurement Process” means a streamlined purchasing practice that ensures competitive value and quality for Goods and Services;

“Purchase Order” means the Municipality written document to a Contractor formalizing all the terms and conditions of a proposed transaction, such as a description of the requested items, delivery schedule, terms of payment, and transportation. The Purchase Order issued by the Department to a Contractor serves as a written acceptance of an offer received in accordance with this Policy.

“Quotation” means a response to a Request for Quotations for prices on specific goods and/or Services from selected Suppliers, submitted in writing as specified in the Request for Quotations.

“Registered Supplier” means a Bidder that has registered on the Bidding System for a Bid Request.

“Request for Information” (RFI) means a process where information is requested from Suppliers regarding the feasibility and availability of specific goods and/or Services in the marketplace and to determine if there are enough Suppliers to justify a Request for Proposals. The responses to a RFI can be used to pre-qualify Suppliers for an upcoming Request for Proposals.

“Request for Proposals” (RFP) means a formal request for details on the supply of goods or the provision of Services, which cannot be fully defined or specified at the time of the request.

“Request for Quotations” means a document that describes the Supplies or Services required and which requires proposals in the form of a written Quotation.

“Request for Tenders” (RFT) means a formal, publicly advertised request for Bids for the supply of goods and/or Services.

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“Request for Standing Offers (RFSO)” is a request for standing offers where unit pricing for known goods or defined services of defined skills sets is the primary evaluation factor or other evaluation criteria such as experience of personnel / bidder, availability, or quality, among other things are considered. The successful proponents of the RFSO are made potential vendors for goods or services that are later set within a defined scope of work.

“Scope of Work” is the work that has been described in a bid solicitation that must be done to deliver the goods and/or services with the specified features and functions within the time, quality and price specified.

“Services” is any professional or general service work performed which does not result in the delivery of goods or supplies, e.g. repairs, training, surveys, consulting, etc.

“Single Source” means there is more than one (1) source in the open market, but for operational reasons, only one (1) Supplier is recommended for providing the particular product or Service. This indicates a non-competitive purchase.

“Solicitation Document” is the document used to solicit Bids from Bidders, including a Request for Tender (RFT)/Invitation to Tender (ITT); a Request for Proposal (RFP); or a Request of Quotations (RFQ);

“Standing Offer” means a contractual commitment for a defined term, usually in the form of an annual purchase award, between the Municipality and a selected supplier for the supply of particular Goods and Services, as requested through an ordering process, at a predetermined price or discount;

“Successful Bidder” is the Bidder selected by the Municipality to provide goods and/or Services in response to a Bid Request.

“Supplier” means any person or company supplying or that may supply goods or Services to the Municipality.

“Supplies” means goods, items, merchandise, material, and equipment.

“Treasurer” is the person appointed to that position as approved by Council and includes his or her Designate.

“Trade Agreements” means 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 (OQTC), as applicable.

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3. Application of By-Law

This Procurement By-law shall apply to the procurement of goods and/or services for the purposes of all Municipal Departments. No expenditure, procurement, or commitment shall be incurred or made, and no account shall be paid by the Municipality for goods and/or services except as provided in this Procurement By-law or otherwise directly approved by Council.

The methods of purchasing outlined in this policy shall not apply to the purchase of any goods and services outlined in Schedule "A".

4. Roles and Responsibilities

In accordance with best practices in municipal procurement, Council recognizes the need for a clear separation of political and administrative functions in relation to the Municipality's procurement operations.

The roles and responsibilities of Municipal officers and employees are as follows:

4.1. Department Head

1. Identifies the need or requirement to be satisfied through a Procurement Project;
2. Builds a Procurement Project through the appropriate Solicitation Document and obtains appropriate approval prior to proceeding to market;
3. Develops or identifies an approved funding source;
4. Determines first if there are internal sources of supply or existing supply arrangements through consultation with the Treasurer;
5. Researches and understands external market conditions and potential sources of supply;
6. Authorizes purchases that are within their delegated authority as set out in this Policy;
7. Ensures employees involved in Procurement Projects have appropriate training;
8. Ensures Department compliance with all procurement policy guidelines, applicable laws, trade agreements and regulations;
9. Keeps the Procurement Project record for their Department;
10. Supports the promotion of compliance with this Policy and of sound procurement practices and the education and training to employees involved in Procurement Projects.
11. Prepare the Purchase Order form; and

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12. Department Heads are responsible for approval of accounts within the approved budget for their Department;

4.2. Treasurer

1. Researches, develops, updates and communicates corporate purchasing policies, procedures, guidelines and standards;
2. Provides oversight of the Procurement Process;
3. Advises staff on policies, regulations and legislation affecting procurement;
4. Provides appropriate orientation, training and tools to employees involved in procurement;
5. Advises on Competitive Procurement Projects;
6. Monitors compliance across the organization and reporting on performance to the CAO and Department Heads; and
7. Ensures proper internal controls including segregation of duties;

4.3. Chief Administrative Officer

1. Approves purchases per the Delegation of Authority; and
2. Provides oversight of the Procurement Process.

4.4. Finance Department

1. Processes of all payments to vendors; and
2. Monitors established internal controls for the Procurement Process.

4.5. Council

1. Approves Procurement Policy;
2. Approves Budget for Capital/Operating expenditures; and
3. Approves purchases exceeding \$ 75,000.00 in accordance with Section 5.3

4.6. Roles and Responsibilities of Committees of Council

1. Work within their approved Budget when recommending purchasing by resolution, as a Committee; and
2. Assist staff by providing requirements of the procurement so that supporting staff can purchase through the appropriate Procurement Process and Delegation of Authority;

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5. Procurement Methods

A Standard Procurement involves acquiring Goods and Services following the processes outlined in this Section. All Standard Procurement Processes must adhere to and be reported in accordance with this Policy and all relevant procedures and protocols. These represent the minimum requirements; a Department Head has the flexibility to opt for procedures necessitated by higher amounts. The amount specified in the policy does not include GST/HST.

5.1. Purchases up to \$10,000 – Direct Purchases

To allow for procurement of lower value goods and services in an efficient and timely manner without seeking competitive pricing. The Department Director and/or designate shall have authority to make purchases where the required goods or service can be specified and are of a low value as stated above and may be acquired by direct purchase without formally seeking comparative bids, although informal comparative pricing is encouraged.

All disbursements shall be evidenced by invoices approved by the Department Director or designate.

5.2. Purchases over \$10,000 up to \$75,000 – Request for Quotations

For the purchase of Goods and Services with a procurement value of over \$10,000 but not greater than \$75,000, the Department Head must obtain at least three (3) documented Formal Quotes from qualified suppliers. Quotations may be solicited by fax or email. Verbal quotes are not accepted. If three quotes cannot be obtained, the reasons will be documented. If the purchase qualifies for Single Source purchases, only one quote is required.

Reasons for accepting other than the lowest bid, and/or not following the formal bid process must be documented.

Prior to awarding the contract, each Department must complete the official Purchase Order form and obtain the appropriate delegated authority approval. For purchases totaling up to \$25,000, approval from the treasurer or Director of operations is required. If the amount exceeds \$25,000, approval from the Chief Administrative Officer is also necessary. Each department will send the purchase order, along with the corresponding invoice for payment, to the Finance Department.

5.3. Purchases over \$75,000 - Competitive Procurement Procedures

Goods and services exceeding \$75,000 will be obtained in accordance with the Municipality's Competitive Procurement Procedures (Schedule "B"). Council Approval is required for awarding the contract to the successful bidder.

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6. Delegated Authorities

Department	Position	Up to 75k	Up to 25K	Up to 10K
Corporate	Chief Administrative Officer	X		
Finance	Treasurer		X	
Corporate	Director of operations		X	
Public Works	Director			X
Clerk	Municipal Clerk			X
Fire	Fire Chief			X
Fire	Deputy Fire Chief			X
Parks and Recreation	Director			X
Planning	Director			X
Building	Chief building officer			X

The value of procurement approved above is the value up to and include the stated value limit. For example: the Chief Administrative Officer may approve a project that has a value of \$75,000.00.

Guidelines to Delegation of Authority Matrix

1. The authority is granted based on the need of each position.
2. Approvals limits are on a per transaction basis.
3. Limits are the maximum value of a procurement requirements or contracts.
4. The authority to initiate a Procurement Process is based on the estimated procurement value. The authority to approve a contract award is based on the actual procurement value before taxes.
5. Procurements with a value over \$75,000 require Council approval.

7. Cooperative Purchasing

The Department Heads are hereby authorized to participate in co-operative purchasing arrangements with other municipalities, counties/regions, associations, local boards and

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public agencies within the Province. The procurement policies or procurement by-law of the host agency will apply upon the Department Heads satisfying themselves that the host agency will be proceeding to the open market to obtain competitive pricing. Award approvals of all Co-operative Purchasing contracts shall be in accordance with the Purchasing Procedures.

8. Contract Splitting

Subdividing, splitting or otherwise structuring procurement requirements or contracts in order to reduce the procurement value or in any way circumvent the requirements or intent of this Procurement Policy is not permissible.

9. Establishment of Standing Offers

Department Head may consider establishing a Standing Offer for Goods and Services that are required on a regular or repetitive basis by one or more Departments. If a Department Head anticipates making multiple purchases of the same Goods and Services and the total value of those purchases may exceed \$25,000, the Department Head must consider the possibility of establishing a Standing Offer.

Standing Offers are established through a Competitive Process managed by the Department Head and conducted in accordance with the Municipality's Competitive Procurement Process.

In the case of established Standing Offers, the municipality may utilize them instead of initiating a new procurement process, provided that the appropriate delegated authorities have approved their use.

10. Multi-year contracts

In the case of multi-year Contracts, the estimated expenditure value will be the estimated annual expenditure under the Contract that will govern which procurement process applies.

11. Negotiation

Negotiation may only be used under the following circumstances:

1. Those outlined within Sole and Single Sourcing.
2. As a result of an RFP process, if required.
3. With respect to RFT's, and RFQ's, the Municipality may enter into negotiations with the lowest compliant bidder if the price bid is over the budgeted amount

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for the project. Should the Municipality be unable to reach an agreement with the lowest compliant bidder, the Municipality reserves the right to enter into negotiations with the next lowest compliant bidder, to cancel the bid opportunity or to present a report to Council whichever is deemed to be in the best interest of the Municipality.

4. All bids received failed to meet the specifications and/or tender terms and conditions and it is impractical to recall tenders.

It is the responsibility of Purchasing to ensure that all competitive bidding options have been considered prior to the negotiation method being utilized.

12. Conflict of Interest

It is the responsibility of all staff, Council or Board members involved in bid solicitation or evaluation to disclose any inherent or potential Conflict of Interest to the treasurer or the C.A.O. Any staff, Council or Board member disclosing a Conflict of Interest shall remove himself from the associated procurement process.

Elected officials within the Municipality must not have any direct or indirect involvement in any Procurement Process or decision outside of the required approvals set out in this Procurement Policy.

13. No Local Preference

In accordance with the Discriminatory Business Practices Act, as amended, there shall be no local preference given to any Bidder when awarding a Bid for purchase of Goods and Services for the Municipality.

14. Single Source Purchases

Purchase of goods or services and direct appointment of a consulting professional by negotiation with a single vendor or consultant may be permitted, if it is deemed in the best interest of the Municipality, and in the judgment of the Department Head any of the following conditions apply:

1. The goods and services are in short supply due to market conditions.
2. In the case of professional and consulting services, specialized expertise is required which is not available from more than one professional/consultant, or the issue is a continuation or recurrence of a previous issue.
3. The sources of supply are restricted to the extent that there is not effective price competition, or consideration of substitutes is precluded due to any of the following:

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- i. Components or replacement parts for which there is no substitute;
 - ii. Compatibility with an existing product, facility or service is required;
 - iii. Specific standards are adopted by Council.
4. There is documented evidence that the extension or reinstatement of an existing contract would prove most cost effective or beneficial.
5. Work is required at a location where a contractor or professional has already been secured through a tender process, with established unit prices by another party and it is considered to be beneficial and cost effective to extend the unit prices for the work to be completed for the Municipality.
6. The project is a multi-year contract.
7. Only one bid/proposal is received through the procurement process and it is impractical to recall the requirements of the call for quotations/proposals.
8. Used Equipment that meets or exceeds the departmental equipment requirements.

After the process has closed, it may be necessary for discussion to occur to clarify and/or make revisions to the initially defined requirements of the call for quotations/ proposals. The Department Heads will require the written approval of the CAO or Treasurer or Director of operations before proceeding.

15. Trade Agreements

Procurement by the Municipality may be subject to the provisions of trade agreements. Where an applicable trade agreement conflicts with this Policy, the trade agreement shall take precedence.

As per Trades Agreement, it's prohibited to provide information to one supplier to give that supplier an advantage over other suppliers (CFTA, CETA, OQTCA).

Also, for procurements with a Dollar Value of \$100,000 or more, the following are strictly prohibited, unless otherwise approved by the CAO (CFTA):

1. Imposing a condition that, in order for a supplier to participate in the procurement, the supplier must have previously been awarded one or more contracts by the Municipality;
2. Requiring prior experience where it is not essential to the procurement;
3. Favouring Goods or Services of a province or region;

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4. Favours suppliers of Goods or Services of a province or region

Finally, for procurements with a Dollar Value of \$365,000 or more, the following are strictly prohibited, unless otherwise approved by the CAO (CETA):

1. Favours Goods or Services of Canada over those of the European Union;
2. Favours suppliers of Canada over those of the European Union.

16. Tie Bids

In the case of tie bids between two responsive and responsible bidders and, where multiple awards are not an alternative for award, the Municipality shall determine the successful bidder by coin toss. The Chief Administrative Officer or the treasurer and at least two members of the municipality must be present.

In the case of tied bids between three or more responsive and responsible bidders and where multiple awards are not an alternative for award, the Municipality shall determine the successful bidder by a draw of the bidder names from a hat. The Chief Administrative Officer or the treasurer and at least two members of the municipality must be present.

17. Emergency Purchases

Emergency purchases are allowed when:

- 1) an urgent procurement is necessary for fulfilling a statutory order issued by a federal, provincial, municipal, or other authority, such as an environmental, public health, or workplace safety compliance order; or
- 2) goods and services are required to address an emergency where the purchase is essential to prevent loss of life, potential loss in business, damage to property, or for the continuation of a program or service that is essential to the well being of the Municipality.

Goods and services shall be acquired by the most open market procedure and the lowest overall cost possible. Goods and services over \$100,000 shall be approved by the mayor.

For emergency goods and services with a purchase cost of \$25,000 to \$100,000 approval is required by the Chief Administrative Officer. The Chief Administrative Officer will report emergency purchases to the Council at the next meeting.

18. Authority to Reallocate Approved Budget Funds

To ensure proper expenditure management and budget accountability, each Department Head is responsible for ensuring that all purchases remain within the Department's approved operating budget or approved capital project budget, unless otherwise provided for in this policy.

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Reallocation of funds of the Capital Budgets is not permitted under any circumstances.

In order to allow purchases to proceed which exceed the approved budget, a Department Head shall have the authority to reallocate funds, without exceeding the aggregate budget within their control, under the following conditions:

3. The shortfall for the purchase of the goods or service is less than \$10,000;
4. All changes must be one-time and shall not affect the base budget;
5. General scope of work or service delivery method cannot be changed;
6. The funding source must be the same for all accounts affected by the reallocation.

19. Records, Confidentiality and Access to Information

19.1 Records Retention

The Department Head shall maintain proper documentation for all stages of the Procurement Project in accordance with the Municipality's Records Management Program Policy.

Department Heads are responsible for ensuring that all documentation relating to the Procurement Project is properly filed in the Procurement Project file, regardless of the Procurement Project value. The following shall be kept in each Procurement Project file:

1. Original copies of final Solicitation Documents;
2. Copies of the Procurement Project plan, together with evidence of all necessary conditional approvals;
3. If using an Invitational Process, evidence of quotations obtained from suppliers (e.g., copies of emails, written submissions);
4. Records of communications with Bidders or potential Bidders
5. Copies of addenda;
6. Original copies of Bids received from Bidders (including amendments to Bids);
7. Records of evaluation processes, including evaluator notes and final scores;
8. Copy of the Purchase Order with required approvals, if required;
9. Copies of debriefing or Bid protest procedure requests and outcomes; and
10. Resolutions if required

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19.2 Confidentiality

Bidder and supplier information submitted to the Municipality shall be kept confidential by all Municipal staff. Department Heads shall ensure that all Bids and contracts are kept in a secure location.

19.3 Access to Information

Procurement records shall be retained in accordance with the Municipal Freedom of Information and Protection of Privacy Act. Any requests from the public for information shall be directed to the Municipal Clerk.

20. Accessibility

In accordance with the Human Rights Code, Ontarians with Disabilities Act, 2001 and the Accessibility for Ontarians with Disabilities Act, 2005 and its regulations, and specifically the Integrated Accessibility Standards, Ontario Regulation 191/11, Part 1, sections 5 and 6, accessibility requirements will be incorporated into the specifications with respect to the Procurement of goods and/ or services. Where possible, when an RFP competition is conducted, accessibility will be one of the evaluation criteria that will be considered in the decision making process.

21. Purchasing Card \ Credit card

All purchases made with the purchasing card must comply with Policy F5.

22. Review of Procurement Policy and Procedures

The Treasurer undertake a comprehensive review of this Policy every (5) years and report to Council through the CAO accordingly. The review of purchasing processes shall be conducted on an ongoing basis.

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Schedule "A" Goods and Services Exempt From Procurement Policy

1.0 This Policy does not apply to the acquisition of the following Goods and Services:

- (a) Goods and Services, the supply of which is controlled by a statutory monopoly;
- (b) 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;
- (c) Goods and Services purchased from:
 - government entities or public bodies;
 - persons with disabilities; or
 - philanthropic institutions;
- (d) Staff development or staff workshops
- (e) Services that may only be provided by the following licensed professionals:
 - medical doctors;
 - lawyers; or
 - notaries;
- (f) The following specialized Goods and Services:
 - financial, banking and underwriting services;
 - Investment as delineated in the Investment Policy (F3)
 - expert witnesses;
 - arbitrators;
 - external auditors;
 - utility relocates by a public utility;
 - railway crossings;
 - postage;
 - Workplace investigation
 - original artwork; or
 - goods intended for resale to the public;
 - Expenses that will be refunded by a third party;
- (G) Subsidies allocated to either the "Casselman Public Library Board" or the "Corporation de la revitalisation du centre-ville de Casselman".

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2.0 This Policy does not apply to payment of the Municipality's general expenses, such as:

- Refundable employee expenses (advances, meal allowances, travel, miscellaneous);
- Councillor expenses
- Payroll
- Payroll deduction remittances;
- Workers Safety Insurance Board payments;
- Health benefits;
- Tax remittances;
- Debenture payments;
- Insurance premiums;
- Damage claims;
- Legal settlements;
- Arbitration awards;
- Petty cash replenishment;
- Charges to and from Area Municipalities and other government bodies;
- Council approved grants;
- Refunds (such as property tax refunds, water billing refunds, building deposit refunds, Security Deposits, water deposit refunds and refunds for cancelled services, programs or events);
- Licensing fees, including vehicles, etc.;
- Utility's (such as water and sewer, hydro, natural gas, Telecommunications and cable television);

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Schedule "B" Competitive Procurement Procedures

The competitive procurement procedures require a formal bid process (ex. Public Tender, Request for Proposal, Prequalification, etc.) unless the council direct otherwise.

Solicitation Document

The Solicitation Document and specifications shall be prepared by the Department Head or his/her designate using standard documentation. All Solicitation Document packages must be approved by the Department Head prior to release to the public.

1.1 All Solicitation Documents will clearly define any pre-qualification system and any evaluation or scoring system to be used.

1.2 Solicitation Documents prepared by outside sources, i.e. Consultants must be reviewed by the Department Head for compliance with the Municipality's Policies and Procedures before release to the public.

Health and Safety

Prior to calling a Bid, all health and safety considerations shall be addressed.

Contractors providing Goods and Services to the Municipality must comply with and be held accountable for meeting the requirements of the Occupational Health and Safety Act.

The Municipality's Health & Safety Policy requirements, as provided by the Municipality's Health & Safety Committees, may be included as part of each Solicitation Document package.

Provincial Requirements:

The successful proponent will be required to show proof of registration with the WSIB and compliance with the Provincial Retail Sales Tax requirements before the final awarding of the contract takes place.

Proof of Certification and Insurance:

The successful proponent must provide the Municipality with a certificate of insurance showing a liability coverage equivalent to the amount of insurance requested in any Tender, RFP or RFQ of at least two million dollars or an amount as stipulated by the Municipality. The Municipality reserves the right to collect any other proof of licensing or certification as deemed necessary.

Procurement Policy By-Law

Calling of Bids

The calling of bids shall be the responsibility of the Department Head. The department head can do a calling without the authorization of the council, but the document needs to mention that the municipality can reject all proposals.

Bids shall be advertised on the Municipal website's Bids and Tenders page and may be advertised in local papers and/or major trade publications. This may be varied at the discretion of the responsible Department Head.

Advertisements for Bids that appear in the local paper will refer the reader to the Municipal website's Bids and Tenders page and will appear with sufficient time between advertising and closing to permit the respondents to obtain the Solicitation Documents, examine the site if applicable, complete and submit the response. It is recommended that at least two weeks be permitted for a Tender or Proposal submission after the advertisement has been published. All Solicitation Documents will be added to the website under the Bids and Tenders page.

When it becomes necessary to revise, delete, substitute or add to the Solicitation Document for an open Bid, the Department Head shall approve the issuance of an addendum.

A copy of each addendum shall be forwarded by email, by the Department Head or his/her designate, to all persons who registered for Solicitation Documents under the Bid, and a copy shall be attached to all undistributed Solicitation Documents. Additionally, addendum will be added to the Municipal website's Bids and Tenders page.

Withdrawal of Response to Solicitation Document:

A Bidder who has submitted a response to a Solicitation Document may request that the Bid be withdrawn. Adjustments or corrections to a Bid already submitted will not be allowed. The withdrawal will be allowed if the request is made by e-mail directly to the Department Head or his/her designate before the closing time.

The withdrawal of a Bid does not disqualify a Bidder from submitting another response on the same contract.

Withdrawal requests received after the Bid closing time will not be allowed.

Bid Award:

For bids valued over \$75,000, Council shall review the recommendation of the Department Head or his/her designate, and the council shall give its approval.

Procurement Policy By-Law

Awards may be made to the lowest cost Bidder who has complied with the terms and conditions of the Solicitation Document, all other factors being equal. However, in addition to price, consideration of factors as set out below may result in the acceptance of a Bid other than the lowest cost Bid. Within 3 business days of the contract award, the responsible department head shall post the award on the Municipal Bid and Tender page.

Contract Execution

Successful bidder(s)/proponent(s) who are required to execute a contract agreement with the Municipality shall provide the following items for performance of a contract:

1. Contract security;
2. Proof of insurance;
3. Certificate of Workplace Safety and Insurance Board (WSIB) compliance;
4. Policy and Procedures related to Health & Safety;
5. Signed Third Party Declaration of and supporting documentation that the supplier received AODA training;
6. Project schedule;
7. Accrediting credentials; and
8. Any other relevant documentation as may be warranted and requested at the discretion of Council, the CAO or the Department Director.

The Department Director shall select the appropriate means to guarantee execution and performance of the contract. Means may include one or more of, but are not limited to, financial bonds or other forms of security deposits, provisions for liquidated damages, progress payments, and holdbacks.

Contract Management

Once the contract has been signed, it is essential that it be properly managed. Department Heads are responsible for all aspects of contract management using the following principles:

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.

Procurement Policy By-Law

Payments to Suppliers

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

Scope Changes and Contract Amendments

Scope changes and contract amendments may become necessary due to unforeseen events. These scope changes are to be managed prudently to ensure that overages are tracked, and proper approvals occur for the project duration:

1. The supplier shall submit a change order request including rationale, cost and timing implications;
2. The change order shall be approved by the Department Head prior to commencement of the work;
3. The change shall be funded within an approved budget or approved by Council;
4. The amendment of the contract shall be approved in accordance with the approval limits set out in section 6 of this Policy; and
5. If the amendment results in an increase of greater than 10% of the original contract value and is still within an approved budget, the amendment must have the additional approval of the Treasurer and the CAO.

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, Department Heads shall 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.

Performance Tracking

Department Heads must also ensure that the performance of all suppliers is appropriately monitored including maintaining records of any performance issues, corresponding with or providing notifications to suppliers, and ensuring that performance problems are addressed quickly and effectively. A written record shall be kept by the Department Head of all matters connected with performance tracking – which is essential to proper contract management.

Procurement Policy By-Law

Termination

A contract can only be terminated prior to its expiry date in accordance with the termination provisions of the contract, and with the approval of the CAO.

Supplier Barring

Suppliers may be barred from future contracts with the Municipality through legal consultation. The list of barred suppliers will be maintained by The Treasurer.

Procurement Policy By-Law

Schedule “C” – Procurement Methods

Procurement Method / Signing Authority and Method

Dollar Value	Method	Approval
\$ 0 – \$ 10,000	Direct Purchases	Department Heads
\$ 10,001 - \$ 25,000	Request for Quotations	Department Heads and Treasurer
\$ 25,001 to \$ 75,000	Request for Quotations	Department Heads and Treasurer and CAO
Over \$ 75,001	Competitive Procurement Procedures	Council