



POLICY No. 2023-02

Procurement Policy

Originating Department: LSS-23-2023

SMT Approval: 2023-09-14

Council in Committee: 2023-10-31

Recommendation #: 11

Council Approval: 2023-11-06

Resolution #: 156-23

Revision History: [Click here for revision history](#)

1.1 Purpose

1.1.1 This Policy is intended to outline the guiding principles of public Procurement and the approach the County will take when procuring goods, services or construction.

1.2 Goals and Objectives

1.2.1 The goals and objectives of this Policy are as follows:

- .1 To ensure openness, accountability and transparency while protecting the financial best interests of the County;
- .2 To encourage competition amongst Suppliers where practicable, and ensure fairness and objectivity amongst Suppliers during the Procurement process;
- .3 To promote and maintain the integrity of the Procurement process;
- .4 To obtain best value through the combination of cost, quality and sustainability by ensuring quality, efficiency and effectiveness; and
- .5 To mitigate risk-averseness so that it does not stifle innovation and market participation.

1.3 Code of Ethics

1.3.1 All staff authorized to conduct Procurement activities on behalf of the County shall adhere to the following principles, which are based on the tenets of the Ontario Public Buyer Association's Code of Ethics:

- .1 **Open and honest dealings with everyone who is involved in the Procurement process.** This includes all Suppliers with which the County Contracts or from which it purchases goods, services or construction, as well as all members of County staff and of the public who utilize the services provided by Procurement staff.
- .2 **Fair and impartial Award recommendations for all Contracts.** This means that the County does not extend preferential treatment to any Supplier, including local companies. Not only is it against the law, it is not good business practice, since it limits fair and open competition for all Suppliers and is therefore a detriment to obtaining the best possible value for each tax dollar.
- .3 **An irreproachable standard of personal integrity on the part of all those designated to complete Procurement activities for the County.** County staff and Council members each adhere to their respective Code of Conduct, which prohibits the acceptance of gifts or favours in exchange for business or business considerations. Furthermore, the County refrains from publicly endorsing any one company to prevent providing an unfair advantage over others.
- .4 **Cooperation with other public agencies in order to obtain the best possible value for every tax dollar.** The County uses cooperative groups to maximize value and save on tax dollars when procuring goods, services, and construction.

1.4 Application

- 1.4.1 This Policy applies to all members of Council, committee members, County staff and Suppliers conducting Procurement activities on behalf of or for the County and is subject to all applicable legislation. If there is a conflict between this Policy and such legislation, legislation shall prevail.
- 1.4.2 This Policy does not apply to those items listed in [Schedule A, Exemptions](#).

1.5 Interpretation

- 1.5.1 In this Purchasing Policy,
 - .1 The word “may” and “should” is permissive and used to indicate permission or a recommendation, implying the action is optional or advised but not necessarily required;
 - .2 The words “shall” and “will” and “must” are imperative and used to denote an obligation or requirement, indicating that action is not optional and must be done;
 - .3 Words used in the present terms include the future;
 - .4 Words in the singular number include the plural number and vice versa; and

.5 Where County staff are authorized to do any act, such act may be done by their authorized designate unless specifically stated otherwise.

1.6 Severability

1.6.1 Should any article, section, subsection, clause or paragraph of this Policy be declared by a court of competent jurisdiction to be invalid or unenforceable, the decision shall not affect the validity or enforceability of any other provision of this Policy.

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1.7 Definitions

1.7.1 In this Policy,

“Authority to Award” means the authorization delegated to designated staff to initiate and Award the purchase of goods, services or construction up to the prescribed thresholds in accordance to this Policy;

“Authority to Execute and Bind the Corporation” means the authorization delegated to designated staff to sign Contracts on behalf of the County up to the prescribed thresholds in accordance to this Policy, or as otherwise delegated by Council resolution or bylaw;

“Authority to Pay” means the authorization delegated to designated staff to pay for goods, services or construction up to the assigned thresholds in accordance to this Policy;

“Award” means to proceed with the purchase of goods, services or construction from the Preferred Bidder(s);

“Bid” means an offer or submission received from a Bidder in response to a Procurement process, which may be subject to acceptance or rejection;

“Bid Request” means a written request for Bids or a solicitation;

“Bidder” means the entity or person who submits a response to an invitation to Bid;

“Blackout Period” means a specific duration which certain types of communication or activity are restricted. This includes discussion with Mayor and Council but does not include discussions with County Staff where the Bid solicitation allows for Bid rectification, clarification, Negotiation stages, or as otherwise stated in the Bid Request;

“Chief Administrative Officer” or **“CAO”** means the person appointed to that position as approved by Council;

“Conflict of Interest” means a situation in which financial or other personal considerations have the potential to compromise or bias professional judgement and objectivity, or has the potential for unfair financial gain;

“Contract” means a legally binding agreement between two or more parties that creates an obligation to supply goods, services or construction in return for money or other consideration;

“Contract Administration” means the functions that are performed after all parties have executed a Contract. Typical Contract Administration activities are goal-oriented and are aimed at ensuring compliance with the Contract terms and conditions while giving attention to the achievement of the stated output and outcome of the Contract;

“Contract Administrator” refers to the County’s representative who oversees and manages the Procurement process and Contract Administration as outlined in [Section 3.4, Contract Administrators](#);

“Change Order” means a mutually agreed upon written order to authorize a change to a Contract between the County and the Supplier. Such changes may include a change in the works, schedule or price;

“Contract Extension” means extending the existing Contract with the same terms and conditions for a finite additional period of time upon a written mutual agreement between the County and the Supplier;

“Cooperative Purchase” means a competitive Procurement method that combines the requirements of two or more entities in order to obtain the benefits of volume purchases and/or reduction in administrative effort and costs, including Procurements conducted by group purchasing organizations;

“Council” means the Council of the County comprised of elected officials;

“County” means the corporation of Haldimand County;

“Direct Purchase” means a purchase of goods, services or construction within the thresholds indicated in this Policy;

“Emergency” means the head of Council has declared an Emergency under the *Emergency Management and Civil Protection Act R.S.O. 1990, c.E9*, as amended;

“Emergency Purchase” means a non-competitive Procurement method for circumstances outlined in [Section 6.4, Emergency Purchase](#);

“Fleet” refers to the Procurement of any vehicle or related equipment and does not apply to equipment under the Innovation & Technology Services or any other division;

“General Manager” or **“GM”** means the head of a department within Haldimand County who is responsible for the Procurement process of their respective department;

“In-House Bids” means a competitive bid from internal County staff, comprised of one or more divisions which competes with external entities for Procurement opportunities;

“Leadership Team” means the group of staff consisting of the CAO, General Managers, designated Chief Officers, Directors, and Managers of Haldimand County;

“Limited Tendering Purchase” means a non-competitive Procurement method to obtain goods, services or construction from one source where other sources may be available; or where only one source of supply exists that meets the requirements of the County;

“Manager” or **“Director”** or **“Administrator”** means the head of a division within Haldimand County who is responsible for the Procurement process of their respective division;

“Negotiation” means the action or process of conferring with one or more Qualified Bidders with the goal of reaching an agreement on a Procurement pursuant to this Policy. Negotiations may not be conducted when utilizing a binding Procurement method;

“Preferred Bidder” means the Bidder who has met or exceeded the minimum requirements of the Bid Request in its entirety as determined by the County in its absolute discretion and is being recommended for Award;

“Pre-Qualifications of Suppliers” means a non-binding competitive Procurement process for screening potential Suppliers through such attributes as experience, financial strength, education, experience or other pertinent considerations in order to establish a short-list of qualified Suppliers. The pre-qualification may be issued as a single use, multi-use or standing arrangement;

“Policy” means this Policy;

“Procurement” means purchasing, renting, leasing or otherwise acquiring goods, services or construction, including market research, estimating budget values, developing the description of requirements, determining solicitation method, selection of sources, preparation and Award of Contract and all phases of the Contract Administration;

“Procurement Procedures” or “Procedures” means the administrative document that establishes actions to be followed by County staff for Procurement that represents best practices and is consistent with the intent of this Policy;

“Purchasing Card” or “P-Card” means a credit card issued to an authorized County staff member to be used for procuring and paying for goods, services or construction within the established guidelines;

“Qualified Bidder” means a Bidder the County recognizes as having satisfied the conditions of participation, including but not limited to satisfactory references and sufficient evidence of equipment, personnel, financial capability, safety records, experience, and required licences;

“Request for Information” or “RFI” means a focused market research tool used to obtain information on product or service details, comments, feedback or reactions from potential Bidders prior to the issuance of a Bid Request. It is typically used when specifications are unknown or to determine Bidder interest. Feedback may include best practices, industry standards, and technology used;

“Request for Proposal” or “RFP” means a competitive Procurement process to obtain proposal submissions from Suppliers where detailed specifications are not able to be clearly identified; where the County is seeking solutions; where the County is seeking innovation; and/or where price is not the primary evaluation factor;

“Request for Quotation” or “RFQ” means a non-binding competitive Procurement process for obtaining Bids based on clearly defined specifications within the thresholds indicated in this Policy;

“Request for Tender” or “RFT” means a binding competitive Procurement process for obtaining Bids based on clearly defined specifications within the thresholds indicated in this Policy;

“Same Source Funding” means the project being proposed to transfer additional funds from contains the same funding sources as the receiving project. For example: a project is funded from 25% OCIF funding and 75% CRR-Roads infrastructure and it requires an additional \$15,000. In this case, a funding transfer can only be completed from a project that is also 25% OCIF funded and 75% CRR-Roads Infrastructure;

“Senior Management Team” or **“SMT”** means the group of staff consisting of the General Managers, designated Chief Officers and Directors and the CAO of Haldimand County;

“Supplier” means the entity or individual that provides or could provide goods, services or construction to the County;

“Trade Agreement” means any federal or provincial agreement that is enacted (or amended) and of which the agreement requires County’s Procurement activity compliance;

“Unsolicited Proposal” means an offer or proposal submitted by a Supplier in writing in the absence of a Bid Request. It may be submitted in response to a perceive need; and

“User Division” means the division within Haldimand County that requires the goods, services or construction and is responsible for the Procurement process.

ARTICLE 2.0 – GENERAL MATTERS

2.1 No Local Preference

2.1.1 The County shall not practice local preference in Awarding a Contract in accordance with:

- .1 *Discriminatory Business Practices Act*, R.S.O. 1990, c. D12, as amended;
- .2 *Competition Act*, R.S.C. 1985, c. C34, as amended;
- .3 *Canadian Free Trade Agreement (CFTA)*, 2017, C5, as amended; and
- .4 *Comprehensive Economic and Trade Agreement (CETA)*, 2017, C19, as amended.

2.2 Corporate Procurements

2.2.1 User Divisions shall complete purchases for requirements specific to their area of service to ensure purchases are not duplicated in other User Divisions. Where corporate purchasing power is a factor, a corporate Contract shall be sought.

2.3 Multi-Year Procurements

2.3.1 Where certain goods and services are routinely purchased on a multi-year basis, proceeding with a multi-year Procurement is subject to:

- .1 The identification and availability of sufficient funds in appropriate accounts for the current year within Council approved estimates;
- .2 In the opinion of the User Division Manager, the requirement for the goods or services will continue to exist in subsequent years and the required funding can reasonably be expected to be made available; and
- .3 The total length of the Contract, including any optional Contract Extensions shall not extend past ten (10) years, subject to [Subsection 2.3.2, Multi-Year Procurements](#).

2.3.2 Complex Contracts for services where the development, implementation, and/or risk to the County is deemed significant, multifaceted or where long term operational knowledge and continuity of service is vital, shall not extend past twenty (20) years, including any optional Contract Extensions. A User Division must seek input from Legal & Support Services and obtain approval from the User Division General Manager and CAO prior to the Bid Request issuance.

2.4 Green Procurements

2.4.1 User Divisions are encouraged to seek ways of enhancing environmental sustainability by incorporating green requirements in Procurements where possible, practical and feasible while considering Council and corporate priorities.

2.5 Persons with Disabilities

2.5.1 When procuring goods, services or construction, User Divisions will incorporate accessibility criteria and features as required by the *Accessibility for Ontarians with Disabilities Act, 2005 S.O. 2005, c.11 (AODA)*, and specifically Ontario Regulation 191/11, as amended.

2.6 Corporate Purchasing Card

2.6.1 Purchases made with a corporate Purchasing Card must comply with this Policy and the County's *Purchasing Card Policy, No. 2022-03*, as amended.

2.7 In-House Bids

2.7.1 Haldimand County will not consider In-House Bids.

2.8 Disposal of Surplus Goods

2.8.1 Inventory deemed surplus to the County may be disposed of using a public access that will take into consideration the type of materials being disposed and the cost-benefit to the County.

2.8.2 Trade-in options may be considered a form of disposal.

ARTICLE 3.0 – ROLES & RESPONSIBILITIES

3.1 County Code of Conduct and Conflict of Interest

3.1.1 All Procurement activities undertaken by the County shall be conducted in accordance with:

- .1 County's *Code of Conduct Policy*, No. 2001-19, as amended;
- .2 County's *Council Code of Conduct Policy*, No. 2008-02, as amended; and
- .3 *Municipal Conflict of Interest Act*, R.S.O. 1990, c.M.50, as amended.

3.1.2 It is the responsibility of all parties involved in the Procurement process to disclose any perceived, probable or actual Conflict of Interest as it relates to Procurement to Legal & Support Services.

3.2 Compliance

3.2.1 All parties involved in the Procurement process have a duty to carry out the process in compliance with this Policy and the Procurement Procedures, as amended.

3.2.2 Any County staff who intentionally and knowingly purchases or disposes of any goods, services or construction for the County in contravention of this Policy or Procurement Procedures, as amended, may be subject to disciplinary action.

3.3 Procurement Staff

3.3.1 Procurement staff shall:

- .1 Monitor and guide staff to ensure compliance with this Policy, including providing Procurement advice and support to County staff as required;
- .2 Examine any document or file which pertains to this Policy, as necessary;
- .3 Audit purchases to ensure compliance with this Policy and provide recommendations to User Division Managers;
- .4 Report purchases that are greater than \$100,000 (net tax) to Council annually;
- .5 Report transgressions and non-compliant purchases to the Senior Management Team (SMT) as needed;
- .6 Provide strategic guidance and training related to all Procurement processes and tools, including software applications and platforms. Procurement staff will endeavour to provide training sessions, workshops and seminars for User Divisions;

- .7 Develop and maintain templates, tools and resources for staff involved in Procurement activities;
- .8 Develop Procurement strategies and continually analyze business requirements and spending patterns to identify opportunities for more strategic sourcing;
- .9 Review and provide advice to staff who are contemplating purchases outside of the provisions of this Policy;
- .10 Research, develop, update and communicate Procurement Procedures to staff; and
- .11 Review this Policy once every five years or sooner if so directed, and make recommendations to SMT.

3.4 Contract Administrators

3.4.1 Contract Administrators shall:

- .1 Conduct applicable market research, develop required outputs, ascertain estimated budget values, determine method of Procurement and prepare Bid Requests in accordance to this Policy and Procurement Procedures, as amended;
- .2 Review all Bidder's submissions to ensure compliance with the requirements of the Bid Request, reject any non-Qualified Bidder in consultation with Procurement staff, and conduct Bidder debriefs in accordance to this Policy and Procurement Procedures, as amended;
- .3 Provide Authority to Award within the delegated threshold value of the Contract Administrator, in accordance to [Section 4.2, Authority to Award](#). This authority is for Contract Awards, Change Orders and Contract Extensions;
- .4 Obtain proper Authority to Award when the delegated threshold value for the Contract Administrator has been exceeded in accordance to [Section 4.2, Authority to Award](#). This authority is for Contract Awards, Change Orders and Contract Extensions;
- .5 Provide or seek proper Authority to Execute and Bind the Corporation for Contracts and Contract Extensions in accordance to [Section 4.3, Authority to Execute and Bind the Corporation](#);
- .6 Prepare memorandum or staff reports to Council in accordance to [Article 8.0, Council Reporting](#);
- .7 Monitor and control all Contract expenditures to ensure compliance within financial limits;

- .8 Ensure compliance with applicable legislation;
- .9 Conduct Contract Administration activities in accordance to this Policy, and Procurement Procedures, as amended including but limited to: Contract execution and extensions, Supplier performance and relations, Change Orders, inspections, warranty, project close-out, and the collection, tracking, maintenance and release of performance and warranty securities as required;
- .10 Review in advance with Procurement staff when contemplating any purchase through Limited Tendering to ensure compliance with applicable Trade Agreements;
- .11 Review in advance with User Division Manager and Procurement staff when contemplating any purchase where the provisions of this Policy are being waived;
- .12 Notify User Division Manager and Procurement staff upon discovery of instances of non-compliance and seek advice with respect to mitigating potential risks to the County arising from non-compliance; and
- .13 Ensure no Procurement activity or decision shall be contrary to this Policy, Procurement Procedures, as amended and applicable companion protocols.

3.5 Leadership Team

3.5.1 Members of the Leadership Team shall directly or through delegated staff:

- .1 Oversee all Procurement activities within their division or department and shall be accountable for determining and achieving specific objectives as outlined for each project;
- .2 Maintain inventory within their division or department unless a corporate strategy has been identified, in which case the assigned Manager or General Manager shall be responsible for the corporate inventory;
- .3 Provide or obtain proper Authority to Award within the delegated threshold value in accordance to [Section 4.2, Authority to Award](#). This authority is for Contract Awards, Change Orders and Contract Extensions;
- .4 Provide or seek proper Authority to Execute and Bind the Corporation for Contracts and Contract Extensions in accordance to [Section 4.3, Authority to Execute and Bind the Corporation](#);
- .5 Prepare, review, submit and present memorandum or staff reports to Council in accordance to [Article 8.0, Council Reporting](#);

- .6 Monitor and control all Contract expenditures to ensure compliance within financial limits;
- .7 Review audit reports and recommendations provided by Procurement staff and develop a plan of action, communicate plan with applicable staff and monitor progress;
- .8 Ensure cross-training of applicable staff on Procurement functions, including but not limited to: the fundamentals of the Procurement process, relevant regulations, software applications and platforms, and the nuances of executing Procurement activities within their User Division;
- .9 Regularly assess and identify members within their staff who require additional or refresher training to ensure consistent and up-to-date understanding and implementation of Procurement functions;
- .10 Ensure compliance with applicable legislation;
- .11 Review in advance with Procurement staff when contemplating any purchase through Limited Tendering to ensure compliance with applicable Trade Agreements;
- .12 Review in advance with Procurement staff when contemplating any purchase where the provisions of this Policy are being waived;
- .13 Notify Procurement staff upon discovery of instances of non-compliance and seek advice with respect to mitigating potential risks to the County arising from non-compliance; and
- .14 Ensure no Procurement activity or decision shall be contrary to this Policy, Procurement Procedures, as amended and applicable companion protocols.

3.6 Finance Staff

3.6.1 Finance staff shall:

- .1 Administer [Section 4.6, Authority to Reallocate Approved Funds](#) of this Policy; and
- .2 Provide advice and guidance to User Divisions regarding budget reallocations.

3.7 Council

- 3.7.1 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 County's Procurement operations. It is the role of Council to approve expenditures through the County's budget approval process.

3.7.2 To avoid the potential appearance of bias or political influence in Procurement Contract Award decisions, members of Council will have no involvement in competitive bid processes from the time the Procurement has been initiated through the advertisement or issuance of the solicitation until a Contract has been entered into with the Preferred Bidder, except where Council approval is required in accordance to [Article 8.0, Council Reporting](#).

ARTICLE 4.0 – AUTHORITIES

4.1 Authority to Initiate Procurement

4.1.1 Following the adoption of the current operating and capital budgets, and when required, the receipt of any necessary approvals from other federal, provincial or municipal agencies, a User Division Manager or General Manager may authorize the use of an appropriate Procurement method for purchasing goods, services and construction.

4.1.2 Notwithstanding [Subsection 4.1.1, Authority to Initiate Procurement](#), a User Division Manager or General Manager may authorize the use of an appropriate Procurement method for purchasing goods, services or construction prior to the adoption of the annual operating and capital budgets by Council, and before receipt of necessary approvals from other federal, provincial or municipal agencies, provided the Bid Request specifically states the Award is subject to receipt of such approvals.

4.2 Authority to Award

4.2.1 The Authority to Award is hereby expressly delegated to staff for all Procurement activities related to operations and capital works that have been approved by Council, in the annual budgets with exceptions outlined in [Article 8.0, Council Reporting](#). The list of staff positions and thresholds delegated Authority to Award are outlined in [Schedule B, Authority to Award & Execute](#).

4.2.2 Sufficient funds must be allocated for each Procurement in the appropriate accounts within the Council approved operating or capital budget prior to Award and execution of the Contract.

4.2.3 In the event that the Bid that is recommended for Award exceeds the approved funds available, the County may pursue any of the following options:

- .1 Reallocate funds in accordance to [Section 4.6, Authority to Reallocate Approved Funds](#);
- .2 Award part of the Bid Request, within the parameters outlined in the Bid Request;
- .3 Submit a staff report to Council requesting additional funds in accordance to [Article 8.0, Council Reporting](#);
- .4 Cancel the Bid Request, materially revise and reissue the Bid Request; or
- .5 Cancel the Bid Request.

4.3 Authority to Execute and Bind the Corporation

4.3.1 The list of staff positions and thresholds delegated Authority to Execute and Bind the Corporation are outlined in [Schedule B, Authority to Award & Execute](#).

4.4 Authority to Pay

4.4.1 The Authority to Pay is delegated to staff to process the payment of purchases made in accordance to this Policy.

4.4.2 Staff authorized to utilize a corporate Purchasing Card shall be delegated appropriate threshold values by the User Division Manager or General Manager, subject to the control requirements within various payment systems.

4.5 Authority to Overrule Requirements

4.5.1 Council may overrule any requirement of this Policy on a transaction-specific basis by way of a Council resolution. The elimination of any requirement of this Policy on a general or continuing basis must be approved through a By-law which amends this Policy.

4.6 Authority to Reallocate Approved Funds

4.6.1 Finance staff shall administer [Section 4.6, Authority to Reallocate Approved Funds](#).

4.6.2 The authority to reallocate approved funds may be used for Contract Awards, Change Orders and Contract Extensions.

4.6.3 In order to allow a Procurement to proceed which exceeds the approved budget, the User Division Manager shall have the authority to reallocate funds without exceeding the aggregate budget within their control under the following conditions:

- .1 Operating Budget:
 - .1 Where offsetting the Same Source Funding is available and the shortfall is less than \$20,000 (net tax);
 - .2 All changes must be one-time and shall not impact the base budget;
 - .3 Reallocations may only occur within or between supplies and services accounts;
 - .4 Reallocations between operating and capital budgets is not permitted under any circumstances; and
 - .5 Altering the general nature of the scope of work is not permitted.

- .2 Capital Budget:
 - .1 Where offsetting the Same Source Funding is:
 - .1 Available and the funding shortfall is less than 20% of the project budget, up to a maximum of \$100,000 (net tax); or
 - .2 Available and the funding shortfall is in excess of 20% of the project budget, but less than \$20,000 (net tax) or 50% of the project budget, whichever is less; or
 - .3 Not available and the funding shortfall is less than \$15,000 (net tax) or 50% of the project budget, whichever is less. As this option will be increasing the User Division Manager's aggregate budget, advice from Finance must be sought in advance.
 - .2 If reallocating funds from a capital project, the capital project in which funds are being transferred from must already be Awarded;
 - .3 Reallocations within specific programs or technical functional areas are permitted, as outlined in the Procurement Procedures, as amended;
 - .4 Reallocations between operating and capital budgets is not permitted under any circumstances; and
 - .5 Altering the general nature of the scope of work is not permitted.
- 4.6.4 In order to allow a Procurement to proceed which exceeds the approved budget, the CAO shall have the authority to reallocate funds in accordance to the Delegated Authority By-law, as amended.

ARTICLE 5.0 – COMPETITIVE METHODS OF PROCUREMENT

5.1 General

5.1.1 The Procurement methods utilized within this Article shall be:

- .1 Within the prescribed threshold requirements in accordance to [Schedule C, Summary of Competitive Methods of Procurement Threshold Values](#);
- .2 Authorized in accordance to [Article 4.0, Authorities](#); and
- .3 Conducted and reported in accordance with the provisions of this Policy and Procurement Procedures, as amended.

5.2 Request for Information (RFI)

5.2.1 Use of a Request for Information for goods, services or construction may be used when there is uncertainty regarding market conditions and to gauge Supplier interest and capabilities without the intention of evaluating the responses or Awarding a Contract. The information received may be used for the purposes of developing future Bid Requests.

5.3 Request for Quotation (RFQ)

5.3.1 Use of a Request for Quotation for goods, services or construction shall follow the process outlined below and shall be used only when specifications can be clearly defined.

- .1 Issue the Bid Request following one (1) of the methods outlined below:
 - .1 Less than or equal to \$100,000 (net tax): the Bid Request shall be issued as an invite only. Must solicit a minimum of three (3) quotes unless there are insufficient qualified Suppliers; or
 - .2 Greater than or equal to \$100,001 (net tax): the Bid Request shall be issued as an open competition and electronically posted through the County's online bidding system;
- .2 Award of Contract to lowest Qualified Bidder(s) within the parameters stated in the Bid Request.

5.4 Request for Tender (RFT)

5.4.1 Use of a Request for Tender for goods, services or construction shall follow the process outlined below and shall be used only when specifications can be clearly defined:

- .1 The Bid Request shall be issued electronically through the County's online bidding system; and
- .2 Award of Contract to lowest Qualified Bidder(s) within the parameters stated in the Bid Request.

5.5 Request for Proposal (RFP)

5.5.1 Use of a Request for Proposal for goods, services or construction shall follow the process outlined below and may be used when specifications cannot be clearly defined or a proposed solution is being sought:

- .1 The Bid Request shall be issued electronically through the County's online bidding system;
- .2 Evaluation will be based on the criterion as outlined in the Bid Request; and
- .3 Award of Contract to the Qualified Bidder(s) representing the best value within the parameters stated in the Bid Request.

5.6 Pre-Qualifications of Suppliers

5.6.1 The purpose of a pre-qualification process is to ensure that each Supplier bidding to perform work for the County can demonstrate its ability to provide the necessary expertise and resources to satisfactorily complete the work required.

5.6.2 Only pre-qualified Suppliers shall be invited to respond to subsequent Bid Request(s).

5.6.3 Use of the pre-qualification process for goods, services or construction shall follow the two (2) stage process outlined below:

- .1 Stage One:
 - .1 The Bid Request shall be issued electronically through the County's online bidding system;
 - .2 Evaluation will be based on the criterion as outlined in the Bid Request; and
 - .3 Supplier selection and the subsequent purchase procedures shall be outlined in the Bid Request.
- .2 Stage Two:
 - .1 Complete subsequent purchase(s) in accordance to the Bid Request issued in Stage One.

5.7 Cooperative Purchase

- 5.7.1 Cooperative Purchases are encouraged through any public sector agency where it is in the County's best interest. Deviations from this Policy may be required and are permitted when engaging with Cooperative Purchases because agencies may have different Procurement Procedures and strict compliance with all policies may not be practical.

ARTICLE 6.0 – NON-COMPETITIVE METHODS OF PROCUREMENT

6.1 General

6.1.1 The Procurement methods utilized within this Article shall be:

- .1 Within the prescribed threshold requirements in accordance to [Schedule D, Summary of Non-Competitive Methods of Procurement Threshold Values](#);
- .2 Authorized in accordance to [Article 4.0, Authorities](#); and
- .3 Conducted and reported in accordance with the provisions of this Policy and Procurement Procedures, as amended.

6.2 Direct Purchase

6.2.1 A Direct Purchase shall be conducted for goods, services or construction not covered under an existing Contract or otherwise requiring another Procurement method as described in this Policy. Purchases within this category are not to be repetitive or ongoing and are instead intended to be “one-off” or small multiple purchases with a cumulative value not exceeding the prescribed threshold.

6.2.2 When using a Direct Purchase staff shall ensure best value, based on market conditions, is obtained from a qualified Supplier.

6.3 Limited Tendering Purchase

6.3.1 Staff shall seek input from Legal & Support Services when determining whether Limited Tendering is applicable and to ensure the Procurement principles in this Policy are taken into consideration. A Limited Tendering Purchase may only be used when one or more of the following conditions applies:

- .1 When the Procurement is otherwise exempt from a competitive Procurement process under any applicable Trade Agreement, and it is in the best interest of the County to proceed with a Limited Tendering Purchase, irrespective of the minimum threshold values of such Trade Agreement; or
- .2 When a competitive Procurement process has been conducted and the Contract has expired or will shortly expire and unforeseeable circumstances have caused a delay in issuing a new Bid Request; in such cases, a Contract Extension may be executed and shall not continue beyond a one (1) year term and shall not exceed \$100,000 (net tax).

6.3.3 Failure to plan and allow sufficient time for a competitive Procurement process does not constitute an unforeseeable circumstance.

6.4 Emergency Purchase

6.4.1 An Emergency Purchase may only be used when it is required to:

- .1 Prevent or alleviate serious delay;
- .2 Maintain essential County Services;
- .3 Maintain security or order;
- .4 Protect public property;
- .5 Protect human, animal, plant life, health or prevent / alleviate a threat to same;
- .6 Comply with official orders issued by upper levels of government; or
- .7 Comply with the Emergency Response Plan or respond to a State of Emergency.

6.4.2 Failure to plan and allow sufficient time for a competitive Procurement process does not constitute an unforeseeable or emergency circumstance.

6.4.3 The User Division shall submit the information outlined below to Council in accordance to [Article 8.0, Council Reporting](#), within three (3) months once the Emergency is declared over:

- .1 Purchase particulars;
- .2 Source of Funding; and
- .3 Conditions that constituted an Emergency Purchase.

6.5 Unsolicited Proposal

6.5.1 An Unsolicited Proposal received in writing by the County shall be reviewed by impacted User Divisions. Any purchase resulting from the receipt of an Unsolicited Proposal shall comply with the provisions of this Policy, shall not exceed one (1) year, and the total expenditure is equal to or less than \$100,000 (net tax).

ARTICLE 7.0 – SUPPLIER ELIGIBILITY & RELATIONS

7.1 Supplier Code of Conduct

7.1.1 All Suppliers shall comply with the County's *Supplier Code of Conduct*, as amended as a condition of doing business with the County.

7.1.2 Suppliers are responsible for ensuring that any employees, representatives, appointed agents, or subcontractors acting on the Supplier's behalf conduct business in accordance with the County's *Supplier Code of Conduct*, as amended.

7.2 Eligible Suppliers

7.2.1 The County expects its Suppliers to act with integrity and conduct business in an ethical manner. Without limitation, the County may refuse to do business with any Supplier that:

- .1 Has engaged in illegal or unethical bidding practices, including:
 - .1 Bid-rigging, price-fixing, bribery or collusion or other behaviours or practices prohibited by federal or provincial statutes;
 - .2 Attempting to gain favour or advantage by offering gifts or incentives to members of Council, County staff, committee members, appointed agents or any other representative of the County;
 - .3 Engaging in any prohibited communications during a Procurement process or lobbying members of Council, County staff, appointed agents or other representative of the County;
 - .4 Submitting inaccurate or misleading information in response to a Procurement opportunity;
 - .5 Engaging in any other activity that compromises the County's ability to run a fair Procurement process;
- .2 Has an unfair advantage in a Procurement process;
- .3 Has declared bankruptcy or insolvency;
- .4 Has received final judgements in respect of serious crimes or other serious offences;
- .5 Has failed to pay taxes;
- .6 Has significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior Contract or Contracts;

- .7 Is currently suspended by the County in accordance to [Section 7.12, Supplier Suspension](#);
- .8 Is currently prohibited from participating in bidding opportunities or under probationary measures with another organization; or
- .9 Fails to adhere to ethical business practices, including but not limited to:
 - .1 Performing all County Contracts in a professional and competent manner and in accordance with the terms and conditions of the Contract and the County's *Supplier Code Conduct*, as amended;
 - .2 Complying with all applicable laws, including safety and labour codes (both domestic and international as may be applicable); and
 - .3 Providing workplaces that are free from harassment or discrimination of any kind.

7.3 Supplier Conflict of Interest

- 7.3.1 Suppliers shall disclose to the County any situation that could result in an actual, probable or perceived Conflict of Interest.
- 7.3.2 Without limiting the generality of the County's rights, the County may, in its sole discretion:
 - .1 Reject a Bid from any Supplier on the grounds of, or failure to disclose, a Conflict of Interest;
 - .2 Terminate a Contract with a Supplier on the grounds of, or failure to disclose, a Conflict of Interest; or
 - .3 Waive any and all perceived, probable, or actual Conflict of Interest upon such terms and conditions as the County, in its sole discretion, requires to satisfy itself that the Conflict of Interest has been appropriately managed, mitigated and minimized.

7.4 Litigation

- 7.4.1 The County may reject a Bid from any Supplier that:
 - .1 Is a party to litigation with the County;
 - .2 Directly or indirectly, including by common ownership or control or otherwise, is related to a party to litigation with the County; or

- .3 Intends to use a subcontractor in respect of a specific project who is party to litigation with the County or who directly or indirectly, including by common ownership or control or otherwise, is related to a party to litigation with the County.
- 7.4.2 Party to litigation with the County includes cases in which the Supplier or any of the parties named above, have advised the County in writing of its intention to commence litigation, or have commenced or have advised the County of its intention to commence an arbitral proceeding, against the County.
- 7.4.3 In determining whether or not to reject a Bid under this section, the County will consider whether the litigation is likely to affect the Bidder's ability to work with the County, its consultants and representatives, and whether the County's experience with the Bidder in the matter giving rise to the litigation indicates that the County is likely to incur increased staff or legal costs in the administration of the Contract if it is awarded to the Bidder.
- 7.5 Tie Bid**
- 7.5.1 In the case of a tie Bid between two Qualified Bidders, and where multiple Awards are not possible, the County shall determine the Preferred Bidder by a coin toss as outlined in the Procurement Procedures as amended, unless stated otherwise in the Bid Request.
- 7.5.2 In the case of a tie Bid between three or more Qualified Bidders, and where multiple Awards are not possible, the County shall determine the Preferred Bidder by a draw of the Bidder's names from a receptacle as outlined in the Procurement Procedures as amended, unless stated otherwise in the Bid Request.
- 7.6 Debriefing**
- 7.6.1 A compliant Bidder may request a debriefing after receipt of notification of the outcome of a Procurement process. All requests shall be made in writing to the Bid Request contact and must be made within thirty (30) Calendar Days of such notification. A debriefing at the request of a Bidder shall only be conducted after Contract execution with the Preferred Bidder.
- 7.7 Disclosure of Information**
- 7.7.1 Disclosure of information related to the County's Procurement activities shall be made in accordance with the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56, as amended.

7.8 Electronic Data Collection and Use

7.8.1 While performing contracted work for the County, Suppliers are subject to the County's *Electronic Data Collection & Use Policy*, No. 2022-04, as amended.

7.9 Alternative Dispute Resolution (ADR) – Competitive Bid Protest

7.9.1 A complainant shall resolve any and all disputes they have specific to the competitive Procurement process through the ADR process described in the Bid Request and shall agree to such process as part of any response to the competitive Procurement process.

7.9.2 The Award of any Contract shall not be rescinded or the progress of any project delayed by a request for the use of the ADR unless recommended by the Manager of Legal & Support Services in consultation with applicable GM or CAO.

7.9.3 Any complainant that has requested to participate in the ADR process will be provided with information by Procurement Staff to assist them to understand the Bid process and to assist them to improve future Bid submissions for the County.

7.10 Alternative Dispute Resolution (ADR) – Contract Disputes

7.10.1 Any Contract disputes that arise between the Suppliers and the County during the term of the Contract shall be handled through the ADR process as outlined within the Contract.

7.11 Supplier Performance

7.11.1 Supplier's performance may be evaluated during the course of and/or at the conclusion of a Contract in accordance to the County's *Supplier Performance Evaluation Program*, as amended.

7.12 Supplier Suspension

7.12.1 The County may suspend and/or exclude a Supplier from participating in future Procurement opportunities where the Supplier:

- .1 Fails to honour its Bid and enter into a Contract with the County, unless:
 - .1 The irrevocable period, if any, has expired; or
 - .2 The Bid Request is non-binding;
- .2 Fails to comply with [Section 7.1, Supplier Code of Conduct](#); or
- .3 Fails to provide satisfactory performance in accordance to [Section 7.11, Supplier Performance](#).

7.12.2 A list of suspended Suppliers can be viewed on the County's website.

ARTICLE 8.0 – COUNCIL REPORTING

8.1 General

8.1.1 Staff shall seek input from Legal & Support Services when preparing a memorandum or staff report to Council in regards to any Procurement activity to ensure the Procurement principles in this Policy are taken into consideration.

8.2 Memorandum to Council

8.2.1 A memorandum to Council shall be included in the Council agenda for information purposes in the following circumstance:

- .1 Where an Emergency Purchase has occurred by means of an approved source of funding.

8.3 Council Approval

8.3.1 A staff report shall be included in the Council agenda for consideration of approval in the following circumstances:

- .1 Where a Contract Award or Change Order exceeds the level authorized by Council, subject to the conditions set out in [Section 4.6, Authority to Reallocate Approved Funds](#) or is anticipated to be outside of such conditions;
- .2 Where the lowest Qualified Bidder(s), within the parameters stated in the Bid Request, is not being recommended for Award;
- .3 Where the Qualified Bidder(s) representing the best value, within the parameters stated in the Bid Request, is not being recommended for Award;
- .4 In a revenue generating proposal, where the net revenue amount proposed for acceptance is lower than the Council approved budget and cannot offset within the existing operating budget without changing the budgeted levels of service;
- .5 Where a Contract is anticipated to be financed by debentures;
- .6 Where an Emergency Purchase has occurred and approval of the source of funding is required;
- .7 Where a User Division is seeking approval to proceed with a Limited Tendering Purchase not within prescribed circumstances set out in [Section 6.3 Limited Tendering Purchase](#);
- .8 Where a User Division is seeking approval to proceed with an In-House Bid;
- .9 Any Contract requiring approval from the Ontario Land Tribunal;

- .10 Any Contract prescribed by statute to be authorized by Council;
- .11 Where Council has directed staff to provide a report for approval; or
- .12 Where staff are recommending provision(s) of this Policy are to be waived.

SCHEDULE A – EXEMPTIONS

The following items are exempt from provisions of this Policy:

1. TRAINING AND EDUCATION

- .1 Conferences, conventions, workshops, courses and seminars
- .2 Subscriptions to magazines, newspapers and other periodicals
- .3 Memberships
- .4 Staff training
- .5 Software for education purposes

2. REFUNDABLE STAFF EXPENSES

- .1 Advances
- .2 Meal allowances
- .3 Travel and entertainment

3. EMPLOYER’S GENERAL EXPENSES

- .1 Reimbursed staff expenses
- .2 Payroll and honoraria remittances
- .3 Medical exams
- .4 Government licences fees
- .5 Grants and levies payable
- .6 Damage and insurance deductible claims
- .7 Legal settlements
- .8 Petty Cash replenishment
- .9 Tax remittances
- .10 Refunds/overpayments of taxes/fees
- .11 Realty taxes
- .12 Payment for employment, including temporary staffing agencies and services
- .13 Bank charges and services payable to Council-approved banker
- .14 Debenture Payments

4. SPECIAL SERVICES

Staff shall consult with Procurement prior to initiating any Procurement activities under this section:

- .1 Health Services or Social Services
- .2 Alternative Dispute Resolution fees
- .3 Expert or factual witnesses
- .4 Classified advertising or special event notices
- .5 Financial services respecting the management of government financial assets and liabilities, including ancillary advisory and information services, whether or not delivered by a financial institution, including but not limited to:

- .1 Collection agencies
- .2 Special tax, accounting, audit services and advice from an auditor

5. CULTURAL OR ARTISTIC FIELDS

- .1 Work of art
- .2 Entertainers for theatre or special events

6. REAL PROPER INTERESTS

- .1 All real estate transactions
- .2 Real estate appraisals

7. UTILITIES

- .1 Water & Sewage
- .2 Natural Gas
- .3 Electricity
- .4 Services and inspection of the Technical Safety Standard Association (TSSA)
- .5 Postage
- .6 Cable or television fees
- .7 Utility relocation
- .8 Utility locates
- .9 Telephone (basic services)
- .10 Internet Services

8. OTHER

- .1 Goods or services from a government body, philanthropic institutions, non-profit organizations, or natural persons with disabilities
- .2 Goods intended for resale to the public

9. TRADE AGREEMENT NON-APPLICATION

- .1 When the Procurement is otherwise excluded under any applicable trade agreement, and it is in the best interest of the County to proceed with the Procurement as an exemption, irrespective of the minimum threshold values of such Trade Agreements.

SCHEDULE B – AUTHORITY TO AWARD & EXECUTE

The following positions have the Authority to Award and the related Authority to Execute and Bind the Corporation within the prescribed threshold values in accordance to this Policy:

Threshold Value (net tax)	Authority to Award	Authority to Execute and Bind the Corporation
Up to \$500	Executive Assistant Administrative Assistant Administrative Coordinator	Manager
Up to \$20,000	Supervisor	
Up to \$100,000	Manager	
Up to \$250,000	General Manager	General Manager or CAO
Unlimited	CAO	
Unlimited	Council (through resolution)	Mayor and Clerk

**SCHEDULE C – SUMMARY OF COMPETITIVE METHODS
OF PROCUREMENT THRESHOLD VALUES**

For the purposes of determining whether a Procurement falls within the prescribed threshold values:

1. The threshold value includes the net tax payable by the County;
2. The value of the Procurement shall be the sum of all costs to be paid to the Supplier under the executed Contract, including all optional Contract Extensions;
3. Trade-in values are not to be considered when determining the total value of the Procurement; and
4. Subdividing, splitting or otherwise structuring the Procurement requirements in order to reduce the value of the Procurement or in any way circumvent the requirements or intent of this Policy is not permitted.

Threshold Value	Procurement Method	Procurement Process
Competitive Procurement – Closed (Invite Only)		
\$20,001 - \$100,000	Request for Quotation (RFQ)	Must solicit a minimum of three (3) quotes unless there are insufficient qualified Suppliers
Competitive Procurement – Open		
\$100,001 +	Request for Quotation (RFQ) ; or Request for Tender (RFT)	Posted electronically through the County’s online bidding system
Any Amount	Request for Proposal (RFP)	Posted electronically through the County’s online bidding system
Any Amount	Pre-Qualifications of Suppliers	Posted electronically through the County’s online bidding system; and may be issued for single use, multi-use or standing arrangement
Any Amount	Cooperative Purchase	Where practical, a minimum of three (3) quotes should be sought to ensure best value is obtained

**SCHEDULE D – SUMMARY OF NON-COMPETITIVE METHODS
OF PROCUREMENT THRESHOLD VALUES**

For the purposes of determining whether a Procurement falls within the prescribed threshold values for Limited Tendering:

1. The threshold value includes the net tax payable by the County;
2. The value of the Procurement shall be the sum of all costs to be paid to the Supplier under the executed Contract, including all optional Contract Extensions;
3. Trade-in values are not to be considered when determining the total value of the Procurement; and
4. Subdividing, splitting or otherwise structuring the Procurement requirements in order to reduce the value of the Procurement or in any way circumvent the requirements or intent of this Policy is not permitted.

Threshold Value	Procurement Method	Procurement Process
Non-Competitive Procurement – Low Value		
\$0 - \$20,000 \$0 - \$100,000 (Fleet Only)	Direct Purchase	Ensure best value based on market conditions is obtained from a qualified Supplier
Non-Competitive Procurement – Limited Tendering Purchase within prescribed conditions		
\$20,001 - \$100,000	Limited Tendering Purchase	Input from Legal & Support Services + User Division Manager approval must be obtained to initiate
\$100,001 - \$250,000		Input from Legal & Support Services + User Division GM approval must be obtained to initiate
\$250,001 +		Input from Legal & Support Services + CAO approval must be obtained to initiate
Non-Competitive Procurement – Limited Tendering Purchase <u>NOT</u> within prescribed conditions		
\$20,001 + \$100,001 + (Fleet Only)	Limited Tendering Purchase	Input from Legal & Support Services + Council approval must be obtained to initiate
Non-Competitive Procurement – Emergency Purchase		
\$0 - \$250,000	Emergency Purchase	Any GM approval must be obtained to initiate
\$250,001 +		CAO approval must be obtained to initiate
Unlimited (when EOC is activated)		EOC approval must be obtained to initiate; the EOC will establish threshold values for assigned roles in response to the emergency

REVISION HISTORY					
REPORT	CIC		COUNCIL		DETAILS
CS-SS-01-2013	Date: 21-Jan-13	Rec# 2	Date: 11-Feb-13	Res# 37-13	Rescinded Policy 2005-01 and replaced with Policy 2013-02
LSS-23-2023	Date: 31-Oct-23	Rec# 11	Date: 06-Nov-23	Res# 156-23	Rescinded Policy 2013-02 and replaced with Policy 2023-02
	Date	Rec#	Date	Res#	
	Date	Rec#	Date	Res#	
	Date	Rec#	Date	Res#	
	Date	Rec#	Date	Res#	