

# PROCUREMENT OF GOODS AND SERVICES POLICY

## Table of Contents

<b>Policy Statement</b>	1
<b>Definitions</b>	1
Application	7
General	7
Responsibilities and Authorities	11
Requirement for Approved Funds	13
Advertising of Bid Solicitations	14
Purchasing Documentation	15
Pre-Qualifications and Expressions of Interest	15
Methods of Purchasing	15
a. Low Value Purchases	16
b. Informal Quotations	16
c. Request For Quotations (RFQ)	17
d. Request For Tender (RFT)	18
e. Request For Proposal (RFP)	19
f. Special Circumstance Purchases	20
g. Single Source Purchases	20
h. Direct Negotiation	22
i. Co-Operative Purchasing	22
Roster for Professional or Specialized Services	23
Reporting Procedures	24
Financial Securities and Insurance	24
Vendor Performance	24
Prohibitions and Compliance	25
Conflict of Interest	27
Access to Information	27
Enquiries	27

APPENDIX A – EXCEPTIONS _____	29
APPENDIX B – PURCHASING & DOCUMENT EXECUTION AUTHORITIES _____	31
APPENDIX C – VENDOR PERFORMANCE FORM _____	32
APPENDIX D – APPLICABLE LEGISLATION _____	36

## Policy Statement

1. The purposes, goals and objectives of this policy and of each of the methods of purchasing authorized herein are:
  - a. to maintain trust and confidence in the stewardship of public funds through objective, fair, transparent and efficient procurement processes;
  - b. to promote effective use of funds allocated by Council through procurement methods and decisions that achieve best value for money;
  - c. to promote procurement processes and decisions that are in compliance with applicable legislation and are consistent with the strategic objectives established for the Municipality of Southwest Middlesex; and
  - d. to promote procurement practices that preserve the natural environment, encourage the use of sustainable goods and services and have regard for the accessibility of persons with disabilities.

## Definitions

2. The words and phrases listed hereunder when used in this policy and the appendices hereto shall have the following meanings ascribed to them:

**“Accessibility”** is a general term used to describe the degree of ease that something (e.g., device, service, and environment) can be used and enjoyed by persons with a disability. The term implies conscious planning, design and/or effort to ensure it is barrier-free to persons with a disability, and by extension, highly usable and practical for the general population as well;

**“Accessible”** is that which can be easily reached or obtained; a facility that can be easily entered; posing no obstacles to persons with a disability;

**“Award”** means authorization to proceed with the Purchase from a chosen Supplier;

**“Barrier-free”** refers to a quality or characteristic of environments, policies, processes or practices that enables the full participation by all members of society;

**“Bid”** means an offer or submission from a Supplier in response to a Bid Solicitation which is subject to acceptance or rejection by the Corporation;

**“Bid Approval Report”** means a completed Purchase Requisition, Expenditure Authorization, or Council Resolution which authorizes the purchase of Goods and/or Services and is executed by the Purchasing & Document Execution Authorities as set out in Appendix “B”;

**“Bid Deposit”** means the form of security required by the terms and conditions of Bid Solicitations to guarantee that the successful Supplier enters into a Contract with the Corporation, as required by this policy;

**“Bid Solicitation”** means a formal request for Bids including a Request for Expression of Interest; Request for Information; Request for Pre-Qualification; Informal Request for Quotation; Request for Quotation; Request for Proposal or Request for Tender;

**“Budget”** means the budget or portion of the budget approved by Council;

**“Chief Administrative Officer-Clerk”** or **“CAO-Clerk”** means the Chief Administrative Officer-Clerk of the Corporation, their Designate, or any successor position thereto;

**“Compliant Bid”** means a Bid that meets the terms and conditions of the Bid Solicitation and this policy;

**“Conflict of Interest”** means a situation where a personal, business or other interest of an employee of the Corporation is in conflict with the interests of the Corporation, and includes, but is not limited to:

- a. the giving or receiving of a direct personal gain or benefit, or a direct advantage or privilege, by any person or business that offers Goods and/or Services to the Corporation;
- b. a direct interest in any business that provides Goods and/or Services to the Corporation;

**“Construction”** means a construction, reconstruction, demolition, repair or renovation of a building, structure or other engineering or architectural work and includes site preparation, excavation, drilling, soil or seismic investigation, the supply of products and materials and the supply of equipment and machinery incidental to the construction, and the installation and repair of fixtures of a building, structure or other engineering or architectural work;

**“Contract”** means a binding agreement between two or more parties that creates an obligation to provide or sell Goods or perform Services;

**“Corporation”** means The Corporation of the Municipality of Southwest Middlesex;

**“Council”** means the Council of The Corporation of the Municipality of Southwest Middlesex;

**“Department”** means any Department of the Corporation including any division within a Department;

**“Department Head”** means a position in charge of a Department making the Purchase, authorized in writing by the CAO-Clerk for the Purchase of Goods and/or Services up to the value of their prescribed signing authority and which written authorization must be filed with the Treasurer;

**“Department Representative”** means a position respective of a department or division, authorized in writing by the CAO-Clerk and Department Head for the Purchase of Goods and/or Services up to the value of their prescribed signing authority and which written authorization must be filed with the Treasurer;

**“Designate”** means a person authorized in writing to act on behalf of another during his or her absence, which written authorization has been filed with the Treasurer; only a person holding a position no lower than one level below in the Corporation’s reporting structure may be authorized to act as a Designate;

**“Direct Negotiation”** means a non-competitive purchasing method and refers to the negotiation of an agreement for the purchase of goods and services where there is no open competition among or between Vendors;

**“Disability”** or **“Disabilities”** shall have the same meaning as set out in the *Ontarians with Disabilities Act, 2001*, or any successor legislation thereto;

**“Fair Market Value”** means the price that would be agreed to in an open and unrestricted market between knowledgeable and willing parties dealing at arm’s length who are fully informed and not under any compulsion to transact;

**“Formal Bid Process”** means the process for receipt of Bids, as outlined in Section 21;

**“Goods”** means, in relation to procurement, moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property), including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract;

**“Irregular Result”** means the occurrence or likely occurrence in connection with any method of purchase where competitive bids or proposals are submitted, of any of the following:

- a. Two or more identical Compliant low bids or proposals have been received;
- b. The lowest Compliant bid or proposal exceeds the estimated cost or budget allocation;
- c. All bids or proposals received are not Compliant; or

- d. For any reason the award of the contract to or the purchase from the lowest Compliant bidder or proponent is procedurally inappropriate or not in the best interests of the County.

**“Lobbying”** means the advocacy of an interest that is affected, actually or potentially by the Bid Solicitation process or individuals involved in the Bid Solicitation process including seeking to influence the outcome of the Bid Solicitation process or subsequent Award.

**“Lowest Compliant Bid”** means the Compliant Bid that would provide the Corporation with the desired Goods and/or Services at the lowest cost;

**“Mayor”** means the Head of Council of the Corporation or his or her designate;

**“Negotiation”** means a purchasing method whereby the Corporation may negotiate directly with one or more Suppliers with the intent to award a Contract or extend an existing Contract;

**“Professional Services”** means those services requiring the skills of professionals for a defined service requirement, including but not limited to:

- a. architects, engineers, designers, surveyors, geoscientists, project managers, consultants, auditors, accountants, medical professionals and legal counsel/advisors;
- b. firms or individuals having specialized competence in environmental, planning or similar disciplines; and,
- c. software, graphic design and web-design consultants and any other persons providing similar services;

**“Purchase”** means to acquire Goods and Services by purchase, rental, lease or trade, including Construction;

**“Purchase Order”** means a written confirmation of the Purchase of Goods and/or Services at a specific cost;

**“Purchasing”** means the process for obtaining Goods and/or Services;

**“Quotation”** means a binding statement of price, terms of sale and description of Goods and/or Services offered by a Supplier;

**“Request for Expression of Interest”** means a request by the Municipality seeking responses from potential Vendors for the purpose of determining the interest of the marketplace in providing goods or services contemplated to be procured by the Municipality.

**"Request for Information"** means a request by the Municipality seeking responses from potential Vendors for the purpose of gathering information from the marketplace to provide a scope of work or services contemplated to be procured by the Municipality.

**"Request for Prequalification"** means a request by the Municipality preceding a Request for Proposal, Request for Quotation or a Request for Tender seeking submissions from potential Vendors where it is deemed that the nature and complexity of the work involved warrants the time and effort required to pre-select the most experienced and qualified Vendors.

**"Informal Request for Quotation"** means a request by the Municipality seeking submissions from potential Vendors to obtain goods and services of a certain value as defined in Appendix "B" in order to obtain low dollar value of goods and services expeditiously and cost effectively. The informal process may be used by authorized employees in accordance Appendix "B" of this policy.

**"Request for Quotation"** means a request by the Municipality seeking submissions from potential Vendors to obtain goods and services of a certain value as defined in Appendix "B", and whenever the requirements can be precisely defined and the expectation is that the lowest Bid meeting the requirements specified in the Request for Quotation, would be accepted, subject to any other provisions of the contract documents and this policy.

**"Request for Proposal"** means a request by the Municipality seeking submissions from potential Vendors to obtain goods and services of a unique or complex nature where all or part of the requirements cannot be precisely defined and the expectation is that the proposal offered by the highest ranked proponent resulting from an evaluation and meeting the requirements specified in the Request for Proposal, would be accepted, subject to any other provisions of the contract documents and this policy.

**"Request for Tender"** means a request by the Municipality seeking submissions from potential Vendors to obtain goods and services of a certain value as defined in Appendix "B", whenever the requirements can be precisely defined and the expectation is that the lowest Bid meeting the requirements specified in the Request for Tender, would be accepted, subject to any other provisions of the contract documents and this policy.

**"Requisition"** includes both any document, whether electronic or printed, prescribed for use in initiating the purchase of required goods and services and the activity of initiating the purchase of required goods and services; and "requisitioning" and "requisitioned" shall have similar meanings.

**"Services"** means intangible products that do not have a physical presence and includes Professional Services. No transfer of possession or ownership takes place

when services are sold, and they: (1) cannot be stored or transported; (2) are instantly perishable; and (3) come into existence at the time they are bought and consumed;

**“Single Source”** means the non-competitive procurement process to acquire Goods and/or Services from a specific supplier even though there may be more than one Supplier capable of delivery of the same Goods and/or Services;

**“Sole Source”** means there is only one source of the Goods and/or Services that meets the requirements of the Corporation;

**“Special Circumstance”** means:

- a. an event that is exceptional or could not be foreseen and is likely to pose a threat to the health, safety or welfare of the public;
- b. an event that, unless immediately addressed, is likely to cause significant loss or damage to property and/or the environment;
- c. an event that has disrupted any essential service that needs to be re-established without delay; or
- d. an emergency as defined in the *Emergency Management and Civil Protection Act*, R.S.O. 1990, c. E.8, as amended, or any successor legislation thereto;

**“Specialized Services”** means those services requiring the skills of trades including, but not limited to electrical, mechanical, drywall, painting, HVAC, roofing, plumbing, electronics, and insulation;

**“Supplier”** means any individual or organization offering Goods and/or Services including but not limited to contractors, consultants, vendors and service organizations;

**“Tender”** means a written detailed offer from a Supplier to supply Goods and/or Services to the Corporation;

**“Treasurer”** means the Treasurer of the Corporation or his or her designate;

**“Vendor”** means an individual or organization offering goods and services including but not limited to contractors, consultants, suppliers and service organizations;

## Application

3. All goods and services required for the purposes of the Municipality, save and except only those goods and services set out in Appendix "A" to this policy, shall be purchased by the Corporation or any of its officers, agents and employees in accordance with the provisions of this policy:
  - a. Appendices "A", "B", "C" and "D" attached hereto form part of this policy.
  - b. The policies and procedures outlined in this policy shall be followed for the purchase of all Goods and/or Services by the Corporation or any of its officers, agents and employees.
  - c. The methods of Purchasing and the reporting procedures set out in this policy shall not apply to the Purchase and of those Goods and Services outlined in Appendix "A".
  - d. Authority for the Purchase of Goods and Services outlined in Appendix "A" is provided as long as the funding is available in the Budget.
  - e. Any contracts necessary to complete the Purchase of Goods and/or Services outlined in Appendix "A" shall be signed by the appropriate Document Execution Authority as set out in Appendix "B".
  - f. Where an applicable trade agreement supersedes and is in conflict with this policy, the trade agreement shall take precedence.
  - g. CAO-Clerk and/or Department Head shall advise the appropriate Department Representative when a Purchase may not conform to an applicable act, statute, or trade agreement as early as possible in the Bid Solicitation process.
  - h. No contract or purchase shall be divided to avoid any requirements of this policy.

## General

4. Section 270(1) of the Municipal Act 2001, S.O. 2001, c.25, as amended, requires a municipality to adopt policies with respect to its procurement of purchasing services. Purchasing by the Corporation is also subject to contract law, various statutes, and provisions of trade agreements (see Appendix 'D'). Such requirements are addressed throughout this policy and as follows:

- a. Unsolicited Offers - In the event that the Municipality wishes to receive an unsolicited formal offer, the acceptance of such offer can only be done with Council approval. A report to Council shall include comments from the CAO-Clerk.
- b. Official Point of Contact - An official point of contact shall be named in all Bid Solicitations, to respond to all communications in respect of the Bid Solicitation from the time of issuance, during the competitive process, and up to and including the announcement of award. The official point of contact shall be the CAO-Clerk or Department Head or their designate of the department undertaking the purchase.
  - i. A Bid Solicitation may provide for the disqualification of any Vendor for failure to limit communications to the official point of contact.
- c. Public Openings - Any Request for Quotation or Request for Tender that is publicly advertised shall be opened in public at the time and place stated in the Bid Solicitation. No other bids need to be opened in public.
- d. Tender/Proposal Irregularities - The Department Head or the CAO-Clerk shall exercise judgement in determining Compliant Bids and consult with legal counsel where necessary. Where an Irregularity occurs, the Department Head or CAO-Clerk shall respond as follows:
  - i. Late submission - Automatic rejection and not read publicly.
  - ii. Insufficient Financial Security or uncertified cheques - Automatic rejection.
  - iii. Incomplete submission - Automatic rejection unless, in the opinion of the Department Head, the incomplete nature is deemed to be minor.
  - iv. Qualified submission (qualified or restricted by an attached statement, unless allowed for) - Automatic rejection unless, in the opinion of the Department Head, the qualification or restriction is deemed to be minor.
  - v. Submission received on documents other than those provided by the Municipality - Automatic rejection unless, in the opinion of the Department Head, the matter is deemed to be minor.
  - vi. Minor Irregularities - The Department Head or CAO-Clerk shall have the authority to waive irregularities deemed to be minor.

- e. Mathematical errors - Terms and conditions for unit price contracts shall include a statement indicating that where there is a discrepancy between the total price and the unit price, the unit price shall prevail. During the evaluation process, where any discrepancy exists between the total price and the unit price, the unit price shall prevail and the total bid price shall be adjusted accordingly.
- f. Tied Bids - In the event of a tied Bid, resulting from a Request for Quotations, a Request for Tenders or a Request for Proposals the result will be deemed to be an Irregular Result and the award shall be reported in accordance with the requirements of this policy. In order to minimize the risk of tied Bids, relevant Bid Solicitations shall include terms and conditions that promote the best overall value to the Municipality and allow for Bids to be evaluated accordingly. This includes but is not limited to such considerations as price (including discounts and prompt payment terms), quality, delivery (including response time), service, and past performance of the Vendor.
- g. Evaluation of Proposals - All Bid Solicitations shall include clear specifications and evaluation criteria, and terms and conditions that can be applied in a fair and consistent manner to all Bids. An evaluation committee shall be established for all Requests for Proposals. The size of the evaluation committee shall be reflective of the complexity and dollar value of the Request for Proposal. Committee members must have the relevant experience to evaluate Bids.
  - i. The Corporation shall disqualify a Supplier, unless otherwise approved by Council, from bidding on any Bid Solicitation or reject a Bid if a Supplier:
    - 1. is presently engaged in, litigation against the Corporation;
    - 2. is involved in a claim or litigation initiated by the Corporation;
  - ii. The Corporation may, at its discretion, disqualify a Supplier from bidding on any Bid Solicitation or reject a Bid if a Supplier:
    - 1. has failed to satisfy an outstanding debt to the Corporation;
    - 2. has a history of illegitimate, frivolous, unreasonable or invalid claims, as determined by a court;
    - 3. provides incomplete, unrepresentative references, or receives unsatisfactory external and/or internal references in a reference check undertaken by Municipal Staff;
    - 4. has received an unsatisfactory vendor performance review from the Corporation within the last 3 years;

5. has engaged in conduct that leads the Corporation to determine that it would not be in the Corporation's best interests to accept the Bid.
  - h. Vendor Debriefings - All requests for a formal or informal Vendor debriefing to obtain feedback on why a Bid was not successful must be received by the Municipality in writing and directed to the Department Head undertaking the purchasing. A request for a Vendor debriefing will not alter an Award decision.
  - i. Vendor Complaints - All Vendor complaints, whether addressed to members of council or employees shall be referred to the CAO-Clerk for resolution. Objections to a recommendation for Award must be in writing. The CAO-Clerk shall review the objection and determine, in consultation with legal counsel where necessary, whether the objection is material. Where the objection is determined not to be material, the making of the Award shall proceed in accordance with this policy. Where the objection is determined to be material and cannot be resolved, the Award shall be made by Council. In such case, the CAO-Clerk and the Department Head on whose behalf the Bid Solicitation was issued, and legal counsel if necessary, shall report to Council with respect to the recommendations for Award. The CAO-Clerk shall inform the Vendor of his/her right and the process to make a delegation to Council.
  - j. Environmental Purchasing - In accordance with Section 1, reasonable efforts shall be used to review and amend all specifications wherever possible with regard to the preservation of the natural environment.
  - k. Ethics - In administering this policy, the CAO-Clerk shall have regard to the code of purchasing ethics established by the National Institute of Governmental Purchasing and the Purchasing Management Association of Canada and shall ensure such codes are communicated to employees involved in the procurement process, particularly those with delegated authority.
5. On an as-needed basis, the CAO-Clerk and Department Heads shall report to Council providing a summary of purchasing activities. The report may include, but is not limited to, information on the following activities:
  - a. Contract Awards;
  - b. Emergency Purchases;
  - c. Awards during Council recesses;
  - d. Non-compliance with this policy;
  - e. Unforeseen circumstances; and

- f. Final contract payments related to the original purchase contract.
- 6. In interpreting this policy, a reference to the singular number shall be deemed to refer to the plural and vice versa, as the context may require.
- 7. If any Section or Sections of this policy or parts thereof are found by an adjudicator or court of competent jurisdiction to be invalid or beyond the power of Council to enact, such Section or Sections or parts thereof shall be deemed to be severable and all other Sections or parts of the policy shall be deemed to be separate and independent there from and shall continue in full force and effect unless and until similarly found invalid or beyond the power of Council to enact.
- 8. The CAO-Clerk shall review the effectiveness of this policy at least every five (5) years and report to Council as necessary.

## **Responsibilities and Authorities**

- 9. Unless otherwise provided in accordance with this policy, the purchase of all goods and services shall be authorized in accordance with the provisions of Appendix "B" to this policy.
  - a. The CAO-Clerk shall have all the necessary authority to administer this policy and may establish purchasing procedures consistent with this policy and the objectives set out in Part I relating to:
    - i. The form, content and use of forms, whether electronic or printed including Requisitions, Purchase Orders, bonds, letters of credit and other forms of guarantee or surety, the Bid Solicitation, and other contract documents;
    - ii. The identification of those goods and services, which, notwithstanding their individual price or value and having regard to the frequency of purchase and nature of those goods and services, are more effectively acquired by a method applicable to goods and services of a higher price or value or through co-operative purchasing;
    - iii. Implementation of financial controls meeting the audit requirements of the Municipality to ensure that those responsible for requisitioning and purchasing goods and services are held accountable for their decisions;
    - iv. Methods of acquisition which will more effectively achieve the objectives of this policy where alternative methods are permitted hereunder and the

process to be followed in the issuing of Bid Solicitations, receipt and evaluation of Bids and the process to be followed in relation thereto; and

- v. Any other aspect of process or procedure not specifically provided for in this policy.
- b. Department Heads are responsible for and shall have the authority to:
- i. acquire or dispose of Goods and/or Services;
  - ii. call, receive, open and review Bids;
  - iii. establish administrative procedures and policies for the implementation of this policy;
  - iv. establish, through consultation with the CAO-Clerk, standards for Bid Solicitations, Purchase Orders, Contracts and other documents;
  - v. prepare and/or approve the terms and conditions of Bid Solicitations;
  - vi. identify Accessibility requirements which should be part of the procurement process, as noted in AODA Accessibility Requirements – Purchasing, if applicable;
  - vii. review proposed Bid Solicitations to ensure clarity, reasonableness and quality and advise staff of suggested improvements;
  - viii. act on behalf of the Corporation, and from time to time, other boards, agencies and municipalities, for the purposes of the joint Purchase of Goods and/or Services;
  - ix. ensure open, fair and impartial Purchasing processes for Goods and/or Services;
  - x. ensure compliance with this policy and advise the CAO-Clerk when there has been non-compliance;
  - xi. develop co-operative purchasing plans with other units of government or their agencies or public authorities, where deemed beneficial to the Corporation; and
  - xii. promote the standardization of Goods and/or Services, where such standardization demonstrates and supports the purposes, goals and objectives of this policy.
- c. The Department Head, with the written approval of the CAO-Clerk, may delegate to an employee or employees, all or part of the authority in Subsection 9(b) above, which authority may be limited to a particular type of Goods and/or Services.
- d. The CAO-Clerk, in consultation with Department Heads, shall appoint in writing Department Representatives who shall be responsible for the Purchasing of Goods and/or Services and oversight up to the value of their prescribed authority, and shall have the following specific responsibilities:

- i. ensuring that all Contract terms and conditions comply with the Bid Solicitation;
  - ii. preparing all terms and conditions and specifications of Bid Solicitations;
  - iii. managing Contracts to ensure Goods and/or Services are received by the Corporation and comply with Contract terms and conditions;
  - iv. monitoring all Contract expenditures and ensuring that all financial limitations have been complied with and that all accounts are paid within the times set out in the Contract;
  - v. monitoring the performance of Suppliers (see Appendix "C");
  - vi. standardizing the use of Goods and/or Services, where such standardization demonstrates and supports the purposes, goals and objectives of this Policy; and
  - vii. ensuring that all Goods and/or Services Purchased have been received and invoices coded in a timely fashion.
- e. Each employee granted prescribed authority in accordance with Section 9 (a) to (d) has the responsibility and therefore the accountability when authorizing a purchase in the name of the Corporation, which constitutes a commitment by the Corporation to honor the purchase of goods and services from vendors.
- f. Notwithstanding any other provision of this policy, the following Awards require Council approval:
  - i. the recommended Award exceeds the amount budgeted for the Purchase;
  - ii. the authority to Award has not been expressly delegated to staff of the Corporation;
  - iii. the recommended Award is not the Lowest Compliant Bid.
- g. Employees or officers of the Corporation identified in Appendix "B" (Purchasing and Document Execution Authorities) shall have the authority to execute Contracts and all other documents necessary to effect the Award or Purchase of Goods and/or Services, up to the prescribed limits, provided that the Award or Purchase and related documents have been prepared in a form that complies with this policy.

## **Requirement for Approved Funds**

10. The exercise of authority to award a Contract is subject to the identification and availability of sufficient funds in appropriate accounts within the Budget.
  - a. Where Goods and/or Services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a Contract is subject to the following:

- i. the identification and availability of sufficient funds in appropriate accounts for the current year within the Budget;
- ii. the Goods and/or Services will continue to be required in subsequent years and, in the opinion of the Department Head, or delegate, the required funding can reasonably be expected to be made available; and
- iii. the Contract includes a provision that the supply of Goods and/or Services in subsequent years is subject to the approval by Council of the Budget estimates to meet the proposed expenditures.

## **Advertising of Bid Solicitations**

11. Advertising of bid solicitations is subject to the following conditions and thresholds:

- a. Purchases exceeding \$25,000 for Goods and/or Services and \$100,000 for Construction shall, as a minimum, be advertised and a Notice of Intended Procurement shall be published:
  - i. on the website for the Corporation and/or a website authorized by the CAO-Clerk for posting bid calls, from the date that the Bid Solicitation is issued up to and including the date on which the Bid Solicitation closes, but a minimum of 10 calendar days; and/or
  - ii. one time, at least forty (40) calendar days for open tendering, twenty-five (25) calendar days for limited tendering, or ten (10) calendar days if Notice of Planned Procurement is published upon budget approval, before the Bid Solicitation closes, in a local newspaper that has a weekly circulation within the majority area of the geographic Municipality of Southwest Middlesex.
- b. Purchases less than \$25,000 for Goods and/or Services and \$100,000 for Construction may be advertised:
  - i. on the website for the Corporation and/or a website authorized by the CAO-Clerk for posting bid calls, from the date that the Bid Solicitation is issued up to and including the date on which the Bid Solicitation closes; and/or;
  - ii. one time, at least seven (7) calendar days before the Bid Solicitation closes, in a local newspaper that has a weekly circulation within the majority area of the geographic Municipality of Southwest Middlesex.
- c. No additional advertising is required for Purchases where bidders have been previously pre-qualified in accordance with this policy.

## **Purchasing Documentation**

12. The documentation for all purchases shall comply with the following:
  - a. Municipal-issued standard bid documents shall be approved by the CAO-Clerk, and are required to be used in all purchasing instances. Where the use of standard bid documents is not practical, changes to standard bid documents and/or vendor-supplied contracts may be reviewed by legal counsel, as determined by the CAO-Clerk.
  - b. Subject to maintaining the goal of an objective and fair procurement practices, a Bid Solicitation may specify a specific product or brand name to ensure consistency, to minimize risk to the Corporation, or for other valid purposes.
  - c. Before issuance, Bid Solicitations shall be reviewed by the respective Department Head or the CAO-Clerk.

## **Pre-Qualifications and Expressions of Interest**

### **13. a. Request for Pre-Qualification**

Department Heads or Representatives may conduct a request which precedes a Request for Proposal, Request for Quotation, or a Request for Tender, in order to seek submissions from potential Vendors where it is deemed that the nature and complexity of the work involved warrants the time and effort required to pre-select the most experienced and qualified Vendors.

### **b. Request for Expressions of Interest**

Department Heads or Representatives may conduct a Request for Expressions of Interest for the purpose of determining the availability of Suppliers, compiling a list of Suppliers, determining potential scope of work and may be used as a specific pre-condition of any method of Purchasing utilized by the Corporation. The receipt of an expression of interest by the Corporation does not create any obligation between the potential Supplier and the Corporation.

## **Methods of Purchasing**

14. Any person purchasing Goods and/or Services on behalf of the Corporation shall do so with the following provisions:

- a. The methods may be utilized individually or in combination with one another, as may be appropriate in the circumstances.
- b. All methods of Purchasing, except for the exemptions in Appendix "A" and Low Value Purchases, shall be conducted through or reviewed by the respective Department Head.
- c. All methods of Purchasing, where applicable, shall use international technical specifications.
- d. Unless otherwise provided in accordance with this policy, the purchase of all goods and services shall be authorized in accordance with the provisions of Appendix "B" to this policy.

15. Any person purchasing Goods and/or Services on behalf of the Corporation shall do so using one of the following methods of purchasing:

**a. Low Value Purchases**

(UP TO \$10,000 EXCLUDING TAXES)

- i. Only purchases that can be demonstrated to have been made at Fair Market Value shall be made through the following means:
  - 1. Purchasing/VISA card in accordance with the Corporate VISA Usage Policy; or
  - 2. Purchase Order to the Supplier; or
  - 3. Direct invoice from the Supplier approved and signed by the purchasing authority.

**b. Informal Quotations**

(PURCHASES GREATER THAN \$10,000 AND NOT EXCEEDING \$25,000 EXCLUDING TAXES)

- i. Three (3) written quotations, at a minimum, shall be solicited, analyzed and evaluated on price and the criteria outlined in the informal quotation request.
- ii. A purchase requisition shall be prepared for signature and approval in accordance with the Purchasing Authorities set out in Appendix "B".
- iii. The Department Representative shall forward the purchase requisition complete with copies of the informal quotation request and the submitted

quotations to the Department Head to review for compliance and approval, and if required, issue a purchase requisition/order to the selected Supplier.

**c. Request For Quotations (RFQ)**

(PURCHASES GREATER THAN \$25,000 AND NOT EXCEEDING \$100,000 EXCLUDING TAXES)

- i. The Department Representative shall provide to the Department Head the relevant information such as specifications, provisions, plans and supplemental general conditions for the purchase.
- ii. Department Head shall conduct the Bid Solicitation using a list of Suppliers compiled by the Department Representative.
- iii. If possible, at least three (3) Quotations shall be solicited, analyzed and the results tabulated.
- iv. All RFQs shall be received in accordance with the instructions in the Bid Solicitation, and opened in public at the time and place stated in the Bid Solicitation.
  1. Bids received shall be opened and the Suppliers name and the Bid amount(s) shall be read aloud and recorded unless the contents of a Bid envelope require validation, in which case the Bid will be reserved. If the reserved Bid is determined to be valid, a continuation of the Bid opening will be scheduled. If the reserved Bid is determined to be deficient, a continuation of the Bid opening will not be scheduled and the results of the Bid opening will be posted. When the Bid Solicitation is for registration purposes, only the Supplier's name will be read aloud and recorded.
  2. When only one (1) Bid is received, only the Supplier's name shall be read aloud. The Bid amount shall not be read aloud.
- v. Bids received shall be analyzed and evaluated by the Department Representative and Department Head using the criteria outlined in the Bid Solicitation.

- vi. Where an award is recommended, the Bid Approval Report will be prepared by the Department Representative, for signature and approval in accordance with the Purchasing Authorities set out in Appendix "B".

#### **d. Request For Tender (RFT)**

(PURCHASES GREATER THAN \$100,000 EXCLUDING TAXES)

- i. For purchases with a total value greater than \$100,000, excluding taxes, a Request for Tender shall be issued, provided that all of the following conditions apply:
  - 1. two (2) or more sources are considered capable of supplying the Goods and/or Services;
  - 2. the Goods and/or Services are adequately defined to permit the evaluation of Tenders against clearly defined criteria; and
  - 3. it is intended that the Lowest Compliant Bid will be accepted.
- ii. The Department Representative shall provide to the Department Head such specifications, provisions, plans and relevant information and supplemental general conditions for the Purchase.
- iii. All RFTs shall be received in accordance with the instructions in the Bid Solicitation, and opened in public at the time and place stated in the Bid Solicitation.
  - 1. Bids received shall be opened and the Suppliers name and the Bid amount(s) shall be read aloud and recorded unless the contents of a Bid envelope require validation, in which case the Bid will be reserved. If the reserved Bid is determined to be valid, a continuation of the Bid opening will be scheduled. If the reserved Bid is determined to be deficient, a continuation of the Bid opening will not be scheduled and the results of the Bid opening will be posted. When the Bid Solicitation is for registration purposes, only the Supplier's name will be read aloud and recorded.
  - 2. When only one (1) Bid is received, only the Supplier's name shall be read aloud. The Bid amount shall not be read aloud.

- iv. All RFTs shall be advertised in accordance with this policy, except where an RFPQ has previously been conducted, only pre-qualified Suppliers shall be notified and Bids shall only be accepted from pre-qualified Suppliers.
- v. All Purchases shall be authorized and executed in accordance with the Purchasing Authorities and Document Execution Authorities, respectively, as set out in Appendix "B".

**e. Request For Proposal (RFP)**

(PURCHASES GREATER THAN \$50,000 EXCLUDING TAXES)

- i. A Request for Proposal shall be issued when one or more of the following criteria applies:
  - 1. the Purchase is required as a result of a particular problem, requirement or objective;
  - 2. the selection of the Supplier depends more upon the effectiveness of the proposed solution, rather than the price alone;
  - 3. the precise Goods and/or Services, or the specifications thereof, are not known or are not definable and it is expected that Suppliers will further define them.
- ii. The Department Representative shall provide to the Department Head the relevant information such as specifications, provisions, plans and supplemental general conditions for the Purchase.
- iii. A Request for Proposal shall be reviewed by Council before it is issued where, at the determination of the CAO-Clerk and Department Director, the goods and/or services to be acquired meet one or more of the following criteria:
  - 1. Significant value, exceeding \$500,000;
  - 2. Significant public importance;
  - 3. Significant complexity or specialization;
- iv. Department Representative and the Department Director shall conduct the Bid Solicitation.

- v. RFPs may require Suppliers to submit a Bid electronically (preferred) or in sealed separate envelopes which shall contain technical, financial and other information as prescribed in the Bid Solicitation.
- vi. All RFPs will be evaluated based on the evaluation criteria and process outlined in the Bid Solicitation.
- vii. RFPs shall be advertised in accordance with this policy, except where a list of pre-qualified Suppliers has been compiled in accordance with this policy.
- viii. All Purchases shall be authorized and executed in accordance with the Purchasing Authorities and Document Execution Authorities, respectively, as set out in Appendix "B".

**f. Special Circumstance Purchases**

- i. Purchases that are required to respond to a Special Circumstance shall be authorized in accordance with Appendix "B". All such purchases are exempt from the processes outlined under the Methods of Purchasing, but such processes may be followed where practical to do so, and in all instances must be reported to the CAO-Clerk on the following business day.
- ii. Contracts required to effect Special Circumstance purchases shall be signed in accordance with the Document Execution Authorities set out in Appendix "B".

**g. Single Source Purchases**

- i. Bid Solicitations are not required for Single Source Purchases, provided any of the following conditions apply:
  - 1. there is a need for compatibility with goods and/or services previously acquired or the required goods and/or services will be additional to similar goods and/or services being supplied under an existing contract (e.g. contract extension or renewal);
  - 2. the compatibility of a Purchase with existing equipment, product standards, facilities or service is a paramount consideration;

3. there is an absence of competition for technical reasons or market conditions and the Goods and/or Services can only be supplied by a particular Supplier and Sole Source is being recommended;
4. an unforeseeable situation of urgency exists and the Goods and/or Services cannot be obtained in time by means of open procurement procedures;
5. the Corporation has a rental contract with a purchase option and such purchase option is beneficial to the Corporation;
6. for matters involving security, police matters or confidential issues, in which case a Purchase may be made in a manner that protects the confidentiality of the Supplier or the Corporation;
7. there are no compliant bids in response to a Bid Solicitation, or an attempt to acquire the required goods and/or services by soliciting competitive bids has been made in good faith, but has failed to identify more than one willing and compliant supplier;
8. the required goods and/or services are to be supplied by a particular supplier(s) having special knowledge, skills, expertise or experience;
9. another organization is funding or substantially funding the acquisition and has determined the supplier, and the terms and conditions of the commitment into which the Municipality will enter are acceptable to the Municipality;
10. the acquisition is for a particular brand of goods or services that are intended solely for resale to the public and no other brand is desirable and the brand is not available from any other source;
11. it is advantageous to the Municipality to acquire the goods or services from a supplier pursuant to the procurement process conducted by another public body;
12. it is advantageous to the Municipality to acquire the goods or services directly from another public body or public service body;
13. the Supplier is selected from a roster for Professional Services that has been developed in accordance with this policy.

- ii. All Purchases and related contracts shall be authorized in accordance with the Purchasing and Document Execution Authorities set out in Appendix "B".

#### **h. Direct Negotiation**

- i. Notwithstanding that Direct Negotiation may be a component of another procurement process, Direct Negotiation may be used for Purchases of Goods and/or Services when any of the following criteria apply:
  - 1. the required Goods and/or Services are in short supply;
  - 2. competition is precluded due to the existence of any patent right, copyright, technical secret or control of raw material;
  - 3. a Sole Source is being recommended;
  - 4. two (2) or more identical Bids are received;
  - 5. the Lowest Compliant Bid received meeting all mandatory specifications exceeds the Budget amount;
  - 6. the extension of an existing Contract would be more effective;
  - 7. only one (1) Bid is received in response to a Bid Solicitation;
  - 8. the Bid Solicitation process has been cancelled without Award;
  - 9. a roster for Professional Services has been developed in accordance with this Policy;
  - 10. there is Council authorization to do so.
- ii. All Purchases and related contracts shall be authorized in accordance with the Purchasing and Document Execution Authorities set out in Appendix "B".

#### **i. Co-Operative Purchasing**

- i. The CAO-Clerk and/or Treasurer may enter into arrangements with any government body, ministry, agency, board, corporation or authority on a

co-operative or joint basis for purchases of goods and/or services where there are economic advantages in so doing and such purchases comply with this policy.

## **Roster for Professional or Specialized Services**

16. A Request for Pre-Qualification (RFPQ) or a Request for Expression of Interest (RFEOI) may be conducted for the purpose of developing a roster of qualified Suppliers of Professional or Specialized Services for groups of projects requiring similar and particular expertise. While the use of a roster is strictly optional, the associated RFPQ or RFEOI shall be conducted in accordance with the provisions of this policy:
  - a. The Department Representative shall provide to Department Head the relevant information regarding the Professional Services and required expertise.
  - b. Department Representative and Department Head will prepare the RFPQ or RFEOI, inviting interested Suppliers to submit Bids outlining, among other things, their qualifications, availability, recent project experience, key personnel and roles and sufficient references satisfactory to the Department Head for work of a similar nature.
  - c. An evaluation team, consisting of members of the requesting Department and of any other Department deemed beneficial, shall analyze and evaluate the responses received using the criteria outlined in the RFPQ or RFEOI to select a number of qualified Suppliers of Professional or Specialized Services which shall be placed on a roster.
  - d. On subsequent projects, Suppliers of Professional or Specialized Services may be selected from the roster to submit detailed proposals in response to a Bid Solicitation, in accordance with this Policy. The requesting Department shall invite Suppliers on the roster to provide Services, using best efforts to equally distribute opportunities amongst the Suppliers on the roster.
  - e. Alternatively, a Supplier may be selected from the roster to submit a Bid for Professional or Specialized Services in accordance with this Policy.
  - f. Rosters may be updated once every two (2) years.

## **Reporting Procedures**

17. Prior to any Award, a Bid Approval Report shall be prepared by the Department Representative, signed and authorized in accordance with the Purchasing Authorities set out in Appendix "B".
18. Records of each Award shall be maintained for a minimum of 3 years, and shall be reported to any public body or agency in the required frequency, as required by applicable law.
19. Notice of Award Decision shall be published on the Municipality's website within 72 days.

## **Financial Securities and Insurance**

20. Successful suppliers entering into a contract with the Corporation may be required to provide:
  - a. that a Bid be accompanied by a Bid Deposit or other similar security;
  - b. a Performance Bond to guarantee the performance of the Contract;
  - c. a Labour and Materials Bond to guarantee the payment for labour and materials to be supplied in connection with a Contract
21. Prior to the commencement of work, the Supplier shall provide to the Corporation, proof of insurance in accordance with the Bid Solicitation.
  - a. Failure to comply with all terms and conditions of a Bid Solicitation, including failure to provide proof of insurance as required, shall be just cause for cancellation of the Award.
  - b. Prior to the Corporation issuing payment to a Supplier, the Supplier shall provide a Certificate of Clearance from the Workplace Safety and Insurance Board (WSIB), if applicable pursuant to the Corporation's Health & Safety Policy, confirming that the account is in good standing with WSIB.

## **Vendor Performance**

22. The Department Representative or Department Head shall monitor and document the performance of suppliers providing goods and/or services with a value greater than \$50,000 annually to that Department, in a form outlined as Appendix "C", and shall advise the CAO-Clerk in writing when the performance of a Supplier has been

unsatisfactory (overall rating of less than 3.5), and advise the vendor.

Such records will be maintained by Treasury for a three-year period and shall be reviewed by all Department Heads or Representatives prior to the acceptance of any Bid Solicitation. A Bid received from a vendor whose vendor performance form rating is less than 3.5 will not be accepted, unless otherwise approved by Council.

## **Prohibitions and Compliance**

23. All persons involved in the acquisition of goods and services provided for in this policy, shall act in a manner consistent with the requirements and objectives of this policy, and as follows:
  - a. No purchase of goods and services or any arrangements with respect to the purchase shall be made where quantity or delivery is divided or in any other manner arranged so that the price or value of goods and services to be acquired is artificially reduced. Without limiting the foregoing, where goods and services of the same kind or type are required in connection with one project, all of those goods and services shall be included in determining the price or value for the purposes of this policy.
  - b. No goods and services shall be requisitioned under this policy by any person unless:
    - i. The goods and services are legitimately required for the purposes of the Municipality, or for any other local board or other agency on whose behalf the purchase is being undertaken; and
    - ii. To the best of that person's knowledge and belief, the funds for the purchase of the goods and services are available within an approved budget or the Requisition is expressly made subject to funding approval and, to the extent that they may be required, funds are available from any other local board, municipality or other agency on whose behalf the purchase of goods and services is also being made.
  - c. No goods and services shall be purchased from a member of Council, or an appointed officer, employee of the Municipality or any spouse (including common law spouse), parent, grandparent, sibling, child, grandchild, of a member of Council, or an appointed officer, employee or member, other than those services normally required under terms of employment where that person is an employee of the Municipality unless, in addition to compliance with all other provisions of this policy, the purchase has been approved by the CAO-Clerk.

- d. Members of Council, appointed officers and employees of the Municipality shall not knowingly cause or permit anything to be done or communicated to anyone which is likely to cause any potential Vendor or contractor to have an unfair advantage or disadvantage in obtaining a contract for the supply of goods and services to the Municipality, or any other municipality, local board or public body involved in the purchase of goods and services either jointly or in co-operation with the Municipality.
- e. No member of Council, appointed officer, or employee of Municipality shall knowingly cause or permit anything to be done which will jeopardize the legal validity or fairness of any purchase of goods and services under this policy or which is likely to subject the Municipality to any claim, demand, action or proceeding as a result of such act or omission.

24. Lobbying restrictions:

- a. Vendors, their staff members, or anyone involved in the acquisition of goods and services provided for in this policy, shall not, during the Bid Solicitation process or any subsequent award, engage in any form of political or other lobbying whatsoever or seek to influence the outcome of the purchasing process or subsequent Award. This restriction extends to all of the employees or appointed officers of the Municipality and members of Council.
- b. The Municipality may reject any Bid by a Vendor that engages in such lobbying, without further consideration, and may terminate that Vendor's right to continue in the purchasing process
- c. During a Bid Solicitation process or any subsequent award, all communications shall be made to the Municipality's designated official point of contact as specified in the Bid Solicitation. No Vendor or person acting on behalf of a Vendor or group of Vendors, shall contact any member of Council, or an appointed officer, consultant or any employee of the Municipality to attempt to seek information or to influence the Award.
- d. Members of Council, appointed officers and employees of the County, shall refer any inquiries about a Bid Solicitation process to the CAO-Clerk.

25. In accordance with applicable law, no goods and services shall be requisitioned under this policy based on location or origin of goods and services.

## **Conflict of Interest**

26. Expectations surrounding the principles of behavior for purchasing shall refer to the Employee Code of Conduct, as may be amended.
27. Every employee of the Corporation is expressly prohibited from accepting, directly or indirectly, from any third party any rebate, gift or money, except:
  - a. gifts of a very small intrinsic value; or
  - b. moderate hospitality during the normal course of business that would not significantly exceed what the Corporation, through the employee's expense account, would likely provide in return and would not be perceived by others as influencing the making of a business decision.
28. All employees of the Corporation shall declare any Conflicts of Interest to the CAO-Clerk and shall have no involvement in a Bid Solicitation process where a Conflict of Interest exists, including, but not limited to:
  - a. requesting the Goods and/or Services, setting the parameters of the Purchase, evaluating Bids or recommending, deciding or making Awards;
  - b. direct contact with those making the purchasing decisions.

## **Access to Information**

29. The disclosure of information received relevant to Bid Solicitations or Awards shall be made by the appropriate officers in accordance with the provisions of all relevant privacy legislation including primarily the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56, as amended.
30. All Suppliers who contract with the Corporation shall adhere to or exceed the standards set in the Municipal Freedom of Information and Protection of Privacy Act or the Personal Health Information Protection Act, 2004, S.O. 2004, c. 3, Sched. A, or other relevant Ontario or federal privacy legislation or common law as may be passed or amended from time to time, as if they were agents of the Corporation as it relates to the confidential and secure treatment, including collection, use, disclosure or retention, of personal and personal health information, other confidential information of the Corporation, and all records thereof which they come into contact with in the course of performing services or providing goods to the Corporation.

## **Enquiries**

31. Any enquiries related to this policy may be addressed to:

Chief Administrative Officer-Clerk

Municipality of Southwest Middlesex  
Telephone: 519-287-2015 ext.109

## **APPENDIX A – EXCEPTIONS**

The purchasing and reporting methods described in this policy do not apply to the following items whose purchase shall be made in accordance with any applicable municipal policies and procedures:

1. Petty cash items
2. Expenditures for Training and Education including:
  - 2.1. Accommodation including meeting rooms and set-up.
  - 2.2. Catering and catered functions.
  - 2.3. Conferences, conventions, courses, workshops and seminars.
  - 2.4. Magazines, books and periodicals.
  - 2.5. Memberships in professional and vocational associations.
  - 2.6. Offsite training.
  - 2.7. Municipal hosted conferences, workshops and meetings
3. Refundable expenses including:
  - 3.1. Travel, meals, accommodation and any related expenses.
4. Employer's General Expenses including:
  - 4.1. Advertising
  - 4.2. Contracts with Federal, Provincial or Municipal governments, Agencies, Boards, Commissions, Authorities, Utilities, and Railways including but not limited to requirements for goods and services incidental to an approved capital project and/or maintenance.
  - 4.3. Credit rating agencies.
  - 4.4. Licenses (e.g., vehicle, elevator, radio, software and hardware, HVAC, etc.), certificates and other approvals required.
  - 4.5. Postage.
  - 4.6. Professional association surveys.
  - 4.7. Promotional display expenses.
  - 4.8. Charges to and from area municipalities or other government bodies.
  - 4.9. Short-term car/vehicle rentals.
  - 4.10. Toll road payments.
5. Professional and Special Services including:
  - 5.1. Accommodations, payments, fees provided to individuals, cooperatives, corporations and governments under Council approved Programs.
  - 5.2. Insurance coverage and bonds when purchased through the Municipality's insurance broker of record.

- 5.3. Legal counsel, including that provided under the direction of the Municipality's insurance broker of record or to represent the County for third party insurable claims as well as the purchase of any goods or services in the settlement of any claims.
  - 5.4. Professional and skilled services provided to individuals as part of approved programs of the Municipality, including but not limited to: medical services, dental services, laboratory services, counselling services, interpreter and translation services, music and entertainment services.
  - 5.5. Provision of Employee and Member Assistance Programs.
  - 5.6. Professional services provided in support of collective agreement negotiations, external legal services and consulting services related to municipal partner cost shared services.
  - 5.7. Other special fees and services including but not limited to witness fees, arbitrators, mediators, court reporters, investigators and other like services.
6. Utility charges including:
    - 6.1. Communications infrastructure services, such as telephone, internet, cable, cellular
    - 6.2. Electricity
    - 6.3. Natural Gas
    - 6.4. Water and Sewer
7. Real Property including lease, rent, purchase, sale, land, buildings, leasehold interest, easements, encroachments, appraisals and payment of real estate commissions.
  8. Vendor of Record ("VOR") - The Ontario Government, through the Ministry of Government and Consumer Services, has contracted with vendors to supply a variety of goods and services which are accessible to public sector entities, and through which, has undertaken the competitive process on behalf of public sector entities. VOR purchases shall still be subject to the responsibilities for the purchasing of goods and/or services and oversight up to the value of their prescribed authority and any contracts necessary to complete the purchase of goods and/or services shall be signed by the appropriate Document Execution Authority as set out in Appendix "B", up to the prescribed limits.
  9. Payments required to be paid by the Municipality under statutory authority (i.e. payroll deductions, tax remittances, etc.).

## APPENDIX B – PURCHASING & DOCUMENT EXECUTION AUTHORITIES

Method of Purchasing	Dollar Range	Purchasing Authority*	Document Execution Authority
Low Value Purchase	Up to \$10,000	Department Representative	Department Head
Informal Request For Quotation (3 quotes)	Greater than \$10,000 to \$25,000	Department Representative	Department Head
Request for Quotation (formal Bid Solicitation)	Greater than \$25,000 to \$50,000	Department Head	CAO-Clerk
Request for Tender	Greater than \$50,000 up to \$75,000	CAO-Clerk	CAO-Clerk
	Greater than \$75,000	Council	Mayor and CAO-Clerk
Request for Proposal	Greater than \$10,000 to \$25,000	Department Representative	Department Head
	Greater than \$25,000 to \$50,000	Department Head	Department Head
	Greater than \$50,000 to \$75,000	CAO-Clerk	CAO-Clerk
	\$75,000 or greater	Council	Mayor and CAO-Clerk
Direct Negotiation/Irregular Result	Greater than \$10,000 to \$25,000	Department Head	Department Head
	Greater than \$25,000 to \$50,000	CAO-Clerk	CAO-Clerk
	Greater than \$50,000	Council	Mayor and CAO-Clerk

\* “Purchasing Authority” means those positions listed, and includes any position which is higher in the Corporation’s reporting structure.

# APPENDIX C – VENDOR PERFORMANCE FORM

Complete this form when the Vendor has completed or fulfilled their deliverables to the Corporation.

Vendor Name:			
Vendor No.:		Date Work Completed:	
Project Name:			

Department:		Division:	
Date:		Form Completed by:	

Using the rated legend provided, provide a score for each question from 0-5.

- 0 - Did not meet expectations
- 1 - Consistently fell far below expectations
- 2 - Frequently missed expectations
- 3 - Mostly met expectations but sometimes missed expectations
- 4 - Consistently met expectations
- 5 - Exceeded expectations

## 1.0 Quality

### 1.1 Deliverables

Rate the Vendor's performance in accordance with the Bid Specification's Scope of Services and Deliverables and compliance with any applicable standards.

Question	Score
Did the Vendor demonstrate a good understanding of the Assignment requirements (e.g. scope of Services, Deliverables, appropriate resource allocation and required timelines?)	
Did the Vendor provide the Deliverables as and when described in the Bid Specification and comply with any applicable standards as defined in the Bid Specification?	
Did the Vendor follow up to ensure deficiencies identified in the Deliverables were addressed?	

## 1.2 Competency

Rate the competency (knowledge/expertise) of the Vendor's Personnel that provided the Services

Question	Score
Did the Vendor's Personnel have the appropriate knowledge/expertise to provide the Services/Deliverables required in the Bid Specification?	
Was the Vendor's Personnel effective in managing and delivering the Assignment deliverables?	
Did the Vendor's Personnel advise you of any required adjustments to budget and/or schedule as a result of changes requested by you, in a timely manner?	
Did the Vendor's Personnel demonstrate the appropriate skills and knowledge to have a positive impact on the success of the Assignment?	

## 1.3 Schedule

Rate the Vendor's ability to meet the delivery commitments based on the approved assignment/ deliverable schedule.

Question	Score
Did the Vendor perform the Services and deliver the Deliverables as set out in the Bid Specification within the timelines set out in the Bid Specification?	
Did the Vendor provide findings within a reasonable time on claims, disputes and other matters relating to execution or performance for the Services/Deliverables provided?	
Did the Vendor's Personnel provide regular Assignment status updates (e.g. weekly meetings, timesheets) as per the requirements of the Bid Specification?	
Did the Vendor provide qualified Personnel on time to begin the Assignment?	

## 1.4 Knowledge Transfer

Rate the Vendor's ability to facilitate knowledge transfer to you or your staff.

Question	Score
Did the Vendor's Personnel provide successful knowledge transfer (e.g. reports, training, user manual/documents, mentoring) to you or your staff?	

## 2.0 Relationship Management

### 2.1 Management Capabilities

Rate the Vendor's management capability in terms of issue identification, solution development and issue resolution.

Question	Score
Was the Vendor proactive at identifying, addressing and resolving any Assignment issues per the Bid Specification Deliverables?	
Did the Vendor work together with you to resolve issues?	
Did the Vendor leverage lessons learned throughout the term of the Bid Specification to enable more effective and efficient delivery?	

## 2.2 Continuity of Personnel

Rate the Vendor's ability to provide continuity of qualified Vendor's Personnel assigned for the duration of the Assignment.

Question	Score
Did the Vendor provide a continuity of Personnel for the duration of Assignment?	
Did the Vendor provide adequate notice to you, with reasonable promptness, if there was an interruption in the continuous availability of Vendor Personnel?	
If applicable, did the Vendor ensure successful knowledge transfer to any replacement Personnel?	

## 2.3 Vendor Relations

Rate the Vendor's ability to work well with your staff, management and stakeholders.

Question	Score
Did the Vendor maintain communication and foster collaboration with you and your team member/staff/stakeholders?	
Did the Vendor communicate any issues along with a proposed action plan for mitigating delays?	
Did the Vendor maintain ongoing/two-way communication with the Vendor Personnel and you and your staff?	
If performance issues were identified, did the Vendor demonstrate measurable continuous improvement over the term of the Bid Specification?	

## 3.0 Value for Money

### 3.1 Cost for Service Received

Rate the performance of the Vendor relative to the Bid Specification cost for the Services/Deliverables received.

Question	Score
Did the Vendor deliver the Services within your established budget and service standards?	

Did the Vendor produce complete, accurate deliverables as defined in the Bid Specification, resulting in no or minimal change orders initiated by the Vendor?	
Did the Vendor identify and implement any innovative ideas and advice that resulted in greater value for money?	
Did the Vendor propose any cost saving measures that were implemented on the Assignment?	

#### 4.0 Overall Satisfaction

The average of all the above scores will result in an overall satisfaction of this Vendor's Performance from 0 to 5.	<b>Score</b>

Comments

## **APPENDIX D – APPLICABLE LEGISLATION**

Procurement processes are subject to legislation, court decisions and international trade agreements. From these, a number of provisions specified must be followed and have been incorporated into this policy to the extent possible. The procedures to be followed are generally consistent for all of the agreements. When there are inconsistencies, the purchasing authority must select the provisions that demonstrate the highest example of openness, fairness and transparency.

Provisions for procurement are described in each of the following (a representative and not an exhaustive list):

### **Legislation**

- Municipal Act, 2001, S.O. 2001, Chapter 25, Section 270(1)
- Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56
- O. Reg. 213/07: FIRE CODE, Fire Protection and Prevention Act, 1997, S.O. 1997, c. 4
- Building Code Act, 1992, S.O. 1992, c. 23
- Regulations under the Ambulance Act, R.S.O. 1990, c. A.19
- Accessibility for Ontarians with Disabilities Act, 2005. S.O. 2005, CHAPTER 11
- Occupational Health and Safety Act. R.S.O. 1990, CHAPTER O.1
- Environmental Protection Act. R.S.O. 1990, CHAPTER E.19
- Discriminatory Business Practices Act, R.S.O. 1990, Chapter D.12,
- Decisions of the Office of the Information and Privacy Commissioner of Ontario.
- Canada - Criminal Code, R.S.C., 1985, c. C-46
- Canada - Competition Act, R.S.C., 1985, c. C-34

### **Case Law (only those that established the legal basis for procurement in Canada)**

- *The Queen (Ont.) v. Ron Engineering & Construction (Eastern) Ltd.* (“Ron Engineering”) [1981] – Supreme Court established Contract ‘A’ and Contract ‘B’ legal construct
- *M.J.B. Enterprises Ltd. v. Defence Construction (1951) Ltd.* [1999] – established the duty to only accept compliant bids (and not necessarily the lowest)
- *Martel Building Ltd. v. Canada* [2000] – established the duty of fairness

### **Trade Agreements**

- Agreement on Internal Trade (AIT)
- Ontario-Quebec Trade and Cooperation Agreement (OQTCA)
- Canada-European Union Comprehensive Economic and Trade Agreement (CETA)
- Canada-UK Trade Continuity Agreement (Canada-UK TCA)