

**THE CORPORATION OF THE TOWNSHIP OF LEEDS AND THE
THOUSAND ISLANDS**

BY-LAW NO. 21-039

**BEING A BY-LAW TO ESTABLISH A PROCUREMENT POLICY FOR
THE TOWNSHIP OF LEEDS AND THE THOUSAND ISLANDS.**

WHEREAS Section 8 of the Municipal Act, S.O. 2001, c. 25, a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising authority;

AND WHEREAS 20(1) of the Municipal Act, S.O. 2001, c. 25, as amended provides the authority for adjoining municipalities to enter into agreements for joint undertakings;

AND WHEREAS Section 270 (1) of the Municipal Act, S.O. 2001 c. 25 as amended, requires that municipalities enact a procurement policy;

AND WHEREAS the Council of The Corporation of the Township of Leeds and the Thousand Islands has determined it expedient to repeal the existing Procurement Policy and replace it with a new Procurement Policy;


NOW THEREFORE the Council of The Corporation of the Township of Leeds and the Thousand Islands enacts as follows:

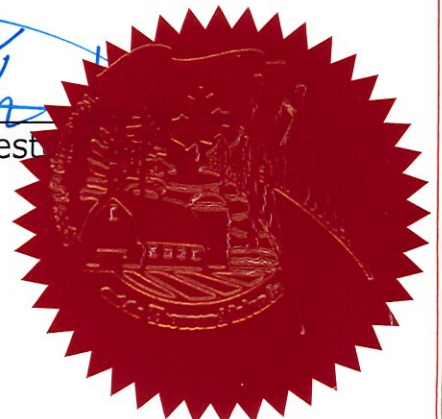
1. That By-law 16-048 is hereby repealed in its entirety.
2. That Schedule 'A' attached hereto is incorporated herein and forms part of this By-law.
3. That this By-law shall be known and may be cited as the "Procurement Policy".
4. That this By-law shall come into force and effect on the date of passing hereof.

READ A FIRST AND SECOND TIME THIS 12th DAY OF JULY 2021.

**READ A THIRD TIME AND FINALLY PASSED THIS 12th DAY OF
JULY 2021.**


Corinna Smith-Gatcke, Mayor


Kimberly West



Township of Leeds and the Thousand Islands

Procurement Policy

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Definitions and Interpretations

In this Policy, unless a contrary intention appears:

“Authorized Person” means a Person who is authorized by Council through bylaw or policy to perform duties on behalf of the Township.

“Award” means a bid formally accepted by the Township and has obtained the required approval to enter a Contract through a purchase order, contract record or formal agreement.

“Best Value” means the approach of obtaining the maximum benefit based on available resources. Factors such as quality, timelines, cost of the purchasing process and price are considered, not just the lowest price.

“Bid” means a submission by a prospective vendor in response to a competitive procurement process.

“Bid Request” means a written request by the Township for Bids in connection with the provision of Good and or Services and includes, but is not limited to, requests for proposals, requests for tenders, requests for quotations and calls for tenders.

“Committee” means a committee appointed by the Council of the Township of Leeds and the Thousand Islands.

“Construction” when used to describe a class of procurement means a construction reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation drilling, seismic investigation, the supply of supporting services if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not included in professional services related to construction contract unless they are included in the procurement.

“Contract” means the acceptance by the Township of a Bid in a form of a duly signed agreement or Purchase Order between a chosen Bidder and the Township for the provision of Goods and or Services.

“Council” means the Municipal Council of the Township of Leeds and the Thousand Islands.

“Department” means an organizational business or service unit of the Township to which Council has allocated a budget.

“Department Head” means a Township staff person responsible for the directional and operational control of a department, including, without limitation, the Department’s budget.

“Designate” means a Person to whom authority to conduct Procurement activities has been delegated by the Authorized Person.

“Electronic Bidding” means a method of issuing solicitations and/or receiving written bids where the process of issuing and/or submitting procurement documents is facilitated through a web application.

“Emergency” means an event which, in the opinion of Council or the CAO, or his designate, requires immediate repair or replacement of equipment, services, infrastructure or facilities to maintain a required public service or to prevent danger to life, limb, or property.

“Goods and Services” means all supplies, equipment, material, services (including without limitation, insurance, professional consulting services, and construction contracts) to be supplied or furnished by a vendor.

“Irregularity” means a departure from the requirements of a Bid Request.

“Person” includes staff, Council, Committees of Council and any other person or entity authorized to procure goods and/or services on behalf of the Township.

“Policy” means this procurement policy.

“Professional or Consulting Services” includes architects, engineers, auditors, banking services, insurance providers, surveyors, management consultants, legal representation and other consulting and professional services.

“Purchase / Procure” means the acquisition of Goods and/or Services by or on behalf of the Township by way of purchase, lease, or rental.

“Purchase Order” means the Township’s agreement document issued by an authorized employee to a supplier formalizing the terms and conditions of the purchase and supply of the goods or services identified on the purchase order.

“Quotation” means an offer to provide stipulated goods or services.

“Tender” means a sealed offer/submission by a prospective vendor in a response to a publicly advertised invitation to supply a product or service; offer may be subject to acceptance or rejection.

“Total Acquisition Cost” means the estimated amount of a particular Contract plus applicable taxes (less any applicable rebates) plus the estimated value of all options to renew or extend the Contract.

“Township” means the Township of Leeds and the Thousand Islands.

“Trade Agreement” means an agreement between the Government of Canada or Province of Ontario and either domestic or foreign government or governments relating to matters of trade which apply to the Township.

“Vendor” means any entity supplying Goods and or Services to the Township in accordance with the terms of a Contract.

Procurement Policy Goals

To ensure procurement activities for Goods and Services are conducted in a manner that promotes openness, fairness, transparency and best value.

To promote and maintain the integrity of the purchase process.

To describe the roles, responsibilities and delegation of authority to the Township’s employees.

The goal of each procurement is to secure the required quality and quantity of Good and Services in an efficient, timely and cost-effective manner and to encourage open competitive bidding for the acquisition of Goods and Services in accordance with applicable legislation and Trade Agreements.

Policy Principles

To achieve Best Value, the full life cycle cost of products are considered as well as their impact, such as economic, environmental and social costs and benefits.

In order to contribute to waste reduction, water conservation, energy conservation, pollution prevention and to increase the development and awareness of environmentally sound procurement, acquisitions of goods and/or services will ensure that, where possible, specifications are amended to provide for expanded use of efficient and durable products, reusable products and products that contain post-consumer, recyclable, and/or nontoxic content, without significantly affecting the intended use of the product or service.

Application of this Policy

This Policy applies to the procurement of Goods and Services on behalf of the Township unless otherwise excluded.

This Policy does not apply to the following expenditures which may be processed through other mechanisms or controls:

- employment contracts;
- travel and hospitality expenses;
- utilities, telephone and cell phone expenses which are of a non-capital nature;
- banking, investment and cash management services;
- no-cost memoranda of understanding; and
- contracts with the Government of Ontario, Government of Canada, Ontario municipal governments and provincial or federal government agencies or crown corporations.

No employee, elected official or Committee member of the Township shall purchase Goods or Services, request quotes, proposals or tenders, or enter into contracts and agreements on behalf of the Township except in accordance with the provisions of this Policy.

Council can waive any part of this Policy, or the Policy in its entirety, by resolution for specific purchase or project.

The inclusion of any item in a department's operating budget or capital budget shall confer to Department Head the authority to incur such expenditures.

The provision of this Policy shall be followed by all Persons who act on behalf of the Township in;

- I. the issuance of a Bid Request;
- II. the conduct of a Bid Request; and
- III. the making of an Award.

Council must approve any expenditure for Goods or Services that is not originally included in the municipal operating or capital budget.

Prior to Council adopting the operating budget and capital budget, no employee, elected official or Committee member of the Township is authorized to purchase Goods or Services other than those goods or services required on a recurring basis for the day-to-day operations of the Township.

No expenditure shall be authorized or permitted whereby a debt is incurred requiring authorization by By-law until Council passes the said by-law and all statutory authorization is received.

Compliance with Legislation and Trade Agreements

All procurement conducted pursuant to the Policy shall be undertaken in compliance with all applicable legislation and Trade Agreements.

Accessibility for Ontarians with Disabilities Act

All procurement activities shall be undertaken in compliance with the *Accessibility for Ontarians with Disabilities Act, 2005*. Bid Documents shall be made available in an accessible format to persons with a disability upon request and at no additional charge.

Vendors and all sub-contractors hired by the Vendor in completion of its work, will meet or exceed compliance with all applicable regulations under the Accessibility for Ontarians with Disabilities Act 2005, as may be amended from time to time. It is the responsibility of the Vendor to ensure that they are fully aware of and meet all requirements under the Act.

Trade Agreements

Procurement may be subject to international and/or domestic trade agreements such as the Comprehensive Economic and Trade Agreement (CETA) and the Canadian Free Trade Agreement (CFTA). Generally, trade agreements promote economic growth by reducing barriers to the movement of goods and services between the signatories. Both CETA and CFTA have specific provisions relating to procurement for goods and services by government entities. Application of a Trade Agreement is usually based on procurement that has a total acquisition cost that meets a minimum threshold value specified in the particular agreement.

Municipal Freedom of Information and Protection of Privacy Act

The request for disclosure of information relevant to the issue of competitive bids or the award of contracts from competitive bids shall be made to Township Clerk in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, as amended. All records and information pertaining to competitive bids, which reveal a trade secret or scientific, technical, commercial, financial, or other labour relations information, supplied in confidence implicitly or explicitly, shall remain confidential if the disclosure could reasonably be expected to:

- I. significantly prejudice the competitive position or significantly interfere with the contractual or other negotiations of a person, corporation or other entity that responds, or intends to respond to a request for bids;
- II. result in similar information no longer being supplied to the Township where it is in the public interest that similar information continues to be so supplied;
- III. result in undue loss or gain to any person, group, committee or financial institution or agency; or,
- IV. result in information whose disclosure could reasonably be expected to be injurious to the financial interests of the Township.

Conflict of Interest

The Township's procurement activities must be conducted with integrity to maintain the public's trust. All participants in a procurement process, including any external consultants or other service providers acting on the Township's behalf, must declare any perceived, possible or actual conflict of interest.

No purchase will be processed for personal items of direct benefit to employees of the Township or any member of Council except where permitted by policy.

No goods or services will be purchased from an officer or employee of the Township, or any associate or family member of an officer or employee, unless the extent of the interest of such individual has been fully disclosed to the CAO and received approval.

Staff shall act fairly, bargain in good faith and not give any Bidder an unfair advantage over other Bidders and shall not conduct bid shopping or procedures akin to bid shopping.

Unsolicited Proposals

All unsolicited proposals, including any offers for presentations or Goods/Service trials submitted to the Township will not be given preference. Purchases will follow the requirements and processes outlined in this Policy.

In the event that a Goods/Services presentation or demonstration would be required in advance of a purchase decision, such presentation or demonstration should be included as part of the formal competitive bid process.

No Contract Splitting

Contract splitting is the division of a procurement requirement into smaller pieces in order to avoid the need to conduct a competitive procurement. Contract splitting is not permitted under the Policy.

Roles and Responsibilities

Council

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 Township's procurement operations. It is the role of Council to establish policy and to approve expenditures through the Township's budget approval process. Through this Policy, Council delegates to the Township's employees the authority to incur expenditures in accordance with approved budgets through the procurement of goods, services and construction in accordance with the rules and processes set out in this Policy.

To facilitate Council's oversight role in respect of significant projects, Council may require departments to obtain Council's authority to initiate specific procurements by identifying procurement projects of interest, such as procurements that are of a high value or involve significant risk, security concerns or significant community interest.

To avoid the potential appearance of bias or political influence in the procurement process, members of Council will have no involvement in competitive procurement processes from the time those procurement process have been initiated through the advertisement or issuance of the solicitation document until a contract has been entered into with the successful bidder, except where Council is required to approve the contract award.

Chief Administrative Officer (CAO)

It is the role of the CAO or designate to implement and promote this Policy and oversee the conduct and activities of the Township's employees in carrying out the Township's procurement operations. The CAO will approve procurement procedures and protocols and ensure compliance with this Policy.

Department Heads

Department Heads will ensure that their requirements for goods and services are met in accordance with the goals and objectives of this Policy. They will ensure that all procurement activities and decisions are authorized by this Policy and carried out in accordance with the Township's procurement procedures and protocols. All contract expenditures will be monitored to ensure compliance with financial limits. Upon discovery of instances of non-compliance, the Department Head shall notify the CAO to obtain advice with respect to mitigating potential risk to the Township.

Departmental Staff

Employees of all departments are responsible for complying with this Policy. Employees involved in procurement activities must clearly understand their obligations and responsibilities under this Policy and all applicable procedures and protocols and should consult with their department head as appropriate. Staff are to inspect all deliveries of supplies and services to ensure that they meet the specifications in the purchase order or contract prior to processing through the financial system.

Emergency Procurement

In the event of an emergency where time does not permit for a competitive procurement process, purchases may be made as follows:

- I. A Department Head may authorize emergency purchases having total acquisition costs of \$5,000 or less.
- II. Emergency purchases having a total acquisition cost up to \$50,000 may be approved by the CAO and reported to Council at the following Council meeting.
- III. Emergency purchases having a total acquisition cost greater than \$50,000 must be approved by Council.

In the event of a Township-wide declared emergency, to the extent of any conflict between this Policy and the provisions of the Township's Emergency Response Plan, the latter shall prevail.

Direct Acquisition for Goods and Services Valued at \$0-\$5,000.

Township employees are authorized to purchase goods and/or services in accordance with the approved municipal budget. The Department Head of the initiating department must approve

the purchase, in advance, in writing. Purchases must demonstrate best value for money and follow the principles of this Policy.

Requests for Quotations Valued at \$5,001-\$50,000.

Requests for Quotations are used when the contract requirements and performance terms and conditions are relatively straightforward and can be incorporated in the solicitation document to permit the finalization of the contract with the successful bidder with minor negotiations.

Requests of Quotations involve the selection of either the lowest bid meeting mandatory requirements or the highest scoring bid based on a relatively simple evaluation of price and non-price factors. The evaluation criteria, scoring results and decision making rationale must be documented and filed appropriately. A minimum of three quotations must be received.

Specifications of the goods and/or services must be provided to each supplier/vendor in writing in the same manner with a deadline to provide a quote. Any revisions to the original specifications must be provided to each vendor in the same manner and format.

The Department Head shall review the quotations and award the contract if it falls within the budgeted amount of the project. If the quotation exceeds the amount budgeted for the project, the Department Head shall submit a report to Council for approval.

If three written quotations are not received, the initiating Department Head along with the CAO shall decide if the quotations that have been received are satisfactory to warrant procurement.

The successful and unsuccessful companies from which quotes were received shall be notified.

Procurement Valued at \$50,001 and Above

Requests for Proposals (RFP)

Requests for Proposals are used for goods and/or services which are often unique, complex or consist of many variables. A Request for Proposal may be used for procurement valued under \$50,000 when deemed appropriate within the intent of this Policy.

Proposal Requirements

The electronic bidding system must be used for proposal submissions.

The Department Head, in consultation with the other members of the evaluation team, must ensure that the mandatory requirements per the bid document have been satisfied. The evaluation criteria may include but is not limited to factors such as qualifications and experience, strategy, approach, methodology, scheduling, past performance, equipment, pricing, life cycle costing, standardization of product, and aspects that would support

environmental procurement. The evaluation team will review the bid responses and evaluate based on the criteria outlined in the RFP to determine the highest-ranking proponent.

A report to Council, endorsed by the CAO, shall be initiated by Department Head for Council consideration and approval for procurement with a total acquisition cost of over \$50,000. Procurements of goods and services with a total acquisition cost under \$50,000 shall be evaluated, documented, and filed appropriately pursuant to CAO approval.

Upon approval, the Department Head shall ensure that a legally binding agreement is duly executed in accordance with the By-Law #15-012 Delegation of Authority as may be amended, repealed, or replaced from time to time.

The initiating Department Head is responsible for maintaining current insurance certificates and other documentation as required in the bid documents.

Request for Tender

A Request for Tender is used when the business requirements and technical specifications can be clearly defined and incorporated into the bid document:

- For Goods, Services, or Construction where there are valid business reasons for requiring legally binding irrevocable bids, with or without security.
- Straightforward eligibility requirements can be determined on a pass/fail basis.
- All contract requirements and performance terms and conditions can be clearly defined and incorporated in the bid document to permit the finalization of the contract with the successful bidder without negotiations.

Tender Requirements

The electronic bidding system must be used for Tender submissions; therefore all tenders are in the form of a competitive secure electronic bid. Tenders not received on or before the closing date and time will be rejected by the bidding system.

At the direction of the Department Head, changes or amendments to the tender specifications are published through the electronic bidding system as Addendums and bidders must acknowledge receipt. Unsolicited or alternate proposals to the tender specifications will not be considered.

Bids received through the electronic bidding system are unsealed simultaneously. For Tenders and Request for Quotes, the names of the bidders and total bid prices are made available as 'unofficial results'.

The issuing Department Head and another staff member will review the submissions for errors and omissions and will confirm the mandatory requirements have been met. A summary of the bids with the recommended award will be prepared and provided in a report for Council approval. The report will contain the approved funding source and any other relevant financial

information. By way of Council resolution, the Tender is awarded and the successful bidder is notified. Results of the competition will be published on the electronic bidding system.

Request for Expression of Interest (RFEI)

Staff may issue a Request for Expression of Interest for the purpose of determining the availability of suppliers and or for the purpose of compiling a list of suppliers that may be used as a specific pre-condition for a future procurement. The receipt of an expression of interest by the Township does not create any obligation between the potential supplier and the Township.

Request for Supplier Qualification (RFSQ)

A Request for Supplier Qualification (pre-qualification) may be used to confirm a supplier's ability to provide the necessary expertise and resources to satisfactorily complete the required work.

Pre-qualifications may be considered in the following circumstances:

- I. The work will require substantial project management by the Township and could result in substantial cost to the Township if the supplier is not appropriately experienced;
- II. The work involves complex, multi-disciplinary activities, specialized expertise, equipment, materials, or financial requirements;
- III. Miscellaneous goods, repairs, or services as required by the Township such as office supplies, plumbers, electricians, and drywall contractors;
- IV. There could be substantial impact on the Township's operations if the work is not satisfactorily performed the first time; or
- V. Any circumstance as deemed appropriate by the CAO.

Only prequalified suppliers shall be invited to respond to a subsequent Bid document for the services outlined within the Request for Supplier Qualification. The RFSQ process can establish a supplier roster for specific services within a specific time period.

Advertising

All procurement projects valued over \$50,000 shall be advertised using electronic advertising for a minimum of 10 calendar days. Other advertising may be used as appropriate.

The Township shall advertise on a designated electronic Canada-wide single point of access bidding system.

Sufficient time between posting and the procurement closing time shall be allowed to permit a bidder to examine the specifications, obtain procurement documents and complete and submit the bid response.

The advertisement shall contain the following information:

- The name of the municipality
- The type of service, equipment, or project
- The staff member designated to receive the bids
- The date and local time bids shall be received until
- The staff member to whom queries shall be directed

Review of Bid Documents

Bid documents shall be reviewed by staff in accordance with the evaluation criteria contained in the procurement document.

When a bid is rejected, the reason must be noted and the Bidder shall be advised in writing as to the reason for rejection of the bid.

The report to Council shall include the rejected bidder(s) and state the reason for the rejection of the bid.

Identical Bids

If the lowest compliant bids from two or more Bidders are identical in total cost or unit price, an attempt to obtain a lesser price shall be explored through negotiations and documented appropriately.

The CAO, or respective Department Head shall not reveal information pertaining to such negotiations or the manner in which the final price was determined. Staff shall include as part of the record, a report concerning the results of such negotiations.

If the lowest compliant bids from two or more bidders are identical in total cost or unit price, as the case may be and negotiations for the purposes of obtaining a lower price have not been successful, the CAO or respective Department Head may break the tie in a manner consistent with the provisions of the Bid Request. If the Bid Request is silent, the CAO may select a chance method to break a tie (e.g. coin flip, card cut, etc).

Unresponsive or Excessive Bids

Where Bids are received in response to a Bid Request, but all are in excess of project estimates or are non-compliant with, or unresponsive to, the Bid Documents the:

- a) Department Head in consultation with the CAO, may cancel and reissue a revised Bid Request; or
- b) Department Head, Director of Finance and CAO may jointly enter negotiations with the lowest compliant Bidder to achieve an acceptable Bid within the project estimate.

When it is necessary to revise, delete, substitute or add to the procurement material for a contract under call, the CAO or Department Head shall approve the issuance of an addendum, an extension of the closing date, a change, or cancellation of competition.

Bid Irregularities

A bid irregularity is a variance between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response.

For the purposes of this Policy, a submission showing irregularities are classified as "major irregularities" or "minor irregularities" or "mathematical errors" and defined as follows:

A "major irregularity" is a deviation from the competitive procurement process request that affects the price, quality, quantity or delivery, and is material to the award. The bidder will be disqualified from the process. The Township must reject any offer submitted, which contains a major irregularity. The bidder will be notified of the rejection due to the major irregularity.

A "minor irregularity" is a deviation from the competitive procurement process request, which affects form, rather than substance. The effect on the price, quality, quantity or delivery is not material to the award. The bidder will be given the opportunity to adjust the irregularity and continue in the process. The Township may permit the person to correct a minor irregularity to make the submission compliant.

A "mathematical error" is a deviation in addition, subtraction, multiplication or division, or a transposition error which may or may not affect the total price. A mathematical error will be corrected based on the unit bid price, including sales tax amounts if applicable. Where the intent of the price, unit or otherwise is unclear, the bid may be declared noncompliant.

The following are examples of irregularities. This is not an exhaustive list:

Bid/Quote Irregularity	Irregularity	Response
Failure to provide bid securities as required	Major	Automatic Rejection
Documents in which addenda with financial implications have not been acknowledged	Major	Automatic Rejection
Bids (Quotes) written in pencil rather than typed or completed legibly in ink	Major	Automatic Rejection
Price, mandatory items required for evaluation or signature page are missing from submission	Major	Automatic Rejection

Restricted or Qualified bids	Major/Minor	Rejection depends on significance of a bid restriction or qualification, and whether Bid Request prohibits restrictions or qualifications.
Bids containing clerical and/or arithmetical errors	Minor	Rejection unless Bidder provides written correction within 24 hours of notice.
Overwrites, strikethroughs, or erasures of Bidder's entries	Minor	Rejection unless Bidder provides written correction within 24 hours of notice.
Failure to attend mandatory site meeting	Major	Automatic Rejection
All other irregularities	Major/Minor	Depending on the significance of the irregularity, at the discretion of the Department Head, in consultation with the CAO, the bid will either be automatically rejected, 24 hours will be given to correct and initial, or the bid may be accepted with the irregularities

With respect of a particular Irregularity, the Department Head shall seek the direction of the CAO. Where the Department Head is the CAO, the CAO shall seek direction of Council. In any case the Department Head may seek the opinion of the Township's legal Counsel.

Where Only One Bid Received

In the case where only one Bid is received in response to a Bid Request, and the Bid amount is within the approved Budget and is acceptable to the Department Head, the Department Head may recommend for approval by the CAO for the acceptance of the bid.

Where No Bids are Received

In the event where no response is received to a Bid Request, the responsible Department Head is authorized to offer the contract on an invitational basis, subject to the approval of the CAO.

Withdrawal of Bids

A bidder who has submitted a bid may withdraw the bid through the electronic bidding system at any time.

The withdrawal of a bid does not disqualify a bidder from submitting another bid on the same competition if such bid is received before the specified closing date and time in the Bid Request.

Acceptance of Bid

Following the review of bid responses for a procurement valued over \$50,000, the Department Head shall submit a report and recommendation for contract award to Council for approval. The report and recommendation for acceptance are not necessarily for the lowest price submitted, but for the total highest ranking score based on the evaluation criteria outlined in the procurement document. Reference should be made in the report to budget implications.

Upon Council's approval, the successful Bidder shall be notified that its Bid has been accepted within 30 Days. Notice of acceptance of Bid may be by telephone or email, or a combination of both.

Subsequent to Council's approval, the successful bidder will be awarded the procurement and all bidders will be notified through the bidding system.

Bid Security

The Department Head in consultation with the Finance Department may require that a Bid be accompanied by a performance bond, a labour and material payment bond, a Tender deposit or other similar security.

Security requirements, when stipulated within the specifications of a procurement, provide the appropriate means to guarantee execution and performance of the contract. Means may include one or more of, but are not limited to, certified cheque, bank draft irrevocable letter of credit, money order and where appropriate a digital Bid Bond issued by an approved guaranteed company properly licensed in the province of Ontario, on bond forms acceptable to the Township before the contractor signs the contract.

Insurance

As part of the Bid Request, the successful Bidder will be required to provide:

- evidence of insurance coverage satisfactory to the CAO, indemnification of the Township from any and all claims, demands, losses, costs or damages resulting from the performance of the Vendor's obligations under the contract and from any other risk determined by the CAO as requiring coverage.
- A certificate of Clearance from the Workplace Safety and Insurance Board ensuring all premiums or levies have been paid by the vendor to the Workplace Safety and Insurance Board to the date of payment for all contracts with a labor component shall be provided.
- An acknowledgment by the vendor of its obligations under the Occupational Health and Safety Act, and the Township's safety policy satisfactory to the Department Head or CAO in his or her sole discretion.

- Where the Contract contemplates work within the traveled portion of a roadway, an acknowledgement of its understanding of the Ontario Traffic Manual and agreement to abide by that manual prior to performing any work within the roadway.
- Evidence of compliance with any other legislation by which the trade or activity is governed is to be provided.

The successful Bidder must furnish the Township at its cost a “certified copy “ of a liability insurance policy covering public liability and property damage for no less than the minimum amounts required within this Policy and in the bid document to satisfaction of the Township and in force for the entire contract period.

The insurance coverage shall include:

- A “Cross Liability” clause or endorsement.
- An endorsement certifying that The Corporation of The Township of Leeds and the Thousand Islands and the successful bidder are included as an additional named insured.
- An endorsement to the effect that the policy or policies will not be altered, cancelled, or allowed to lapse without thirty days prior written notice to the Township
- Contractor’s Liability Insurance Policy shall not contain any exclusions of liability for damage, etc. to property, building or land.

Action When Successful Bidder Does Not Enter Contract

If the successful bidder fails to enter into a contract or indicates that it will not perform the contract, Council may authorize that:

- a contract be awarded to another bidder; or
- the procurement be cancelled.

Bidder Debriefings

A bid debrief may be requested in writing to the Department Head. A debriefing session with a bidder is intended to provide general feedback regarding the proponent’s rating on various criteria to allow the proponent to understand where future improvements might be available.

When a bidder or supplier provides a written challenge or complaint regarding a procurement process, the CAO, respective Department Head and Director of Finance will review the matter with the objective of presenting a solution, recommendation or otherwise resolution to the issue.

Cooperative Purchasing

The Township may procure goods and services through procurement vehicles (e.g. standing offers and supply arrangements) available from federal, provincial, or municipal public sectors, agencies, or association of municipalities to which the Township has access as an authorized user, without the need to conduct a separate competitive procurement process.

Council may authorize a Department Head to participate in a joint procurement with other municipalities. Such procurements should be consistent with this Policy.

Non-Competitive Procurement

In certain circumstances, the Township may not have the ability to go through a competitive process for its procurement activity.

Single Source

Purchases may be made through a selected supplier, even though there are other suppliers that provide similar supplies or services in the following circumstances:

- When it is necessary to ensure compatibility with existing products or to avoid violating warranty/guarantee requirements when service is required;
- Where it is necessary to maintain critical ongoing operations in a complex and technical environment, which would be at risk if vendors were changed from time to time in response to a competitive process;
- When specialized experience, knowledge or expertise is required;
- When the total acquisition cost for the first twelve months of a contract is up to \$5,000;
- Temporary staffing or recruitment activities;
- Resource subscriptions;
- Membership and association fees;
- Continuing education and training;
- Event participation costs or other event-related costs where the vendor selection is limited by the venue or host organization; and
- In other special cases authorized by the CAO.

Sole Source

Where there is only one available supplier for the source of the Goods or Service, a sole source can occur when the required item is covered by an exclusive right such as a patent, copyright or exclusive license.

Standardization

Standardization is the adoption of a single product, service, or support activity to be used by one department or a number of departments, whereby a particular supplier may be identified based on technical specifications and sourced to the exclusion of others. This process allows for a reduction in the number of supplies and services required, maximizes volume buying opportunities, reduces handling, training, and storage costs.

For non-competitive procurement under single source, sole source or standardization, the Department Head shall initiate a non-competitive award report including rationale for requesting non-competitive procurement prior to making a commitment to a supplier or prior to commencing any work.

Other Non-Competitive Procurement

Other instances where a non-competitive procurement process may happen:

- Consulting services, where it has been deemed beneficial to the Township to retain a Consultant on a project where previous involvement in earlier stages of the project may have ensued and the funds are budgeted.
- When there is a statutory or market-based monopoly on the item, such as utilities.
- When no bids were received in a competitive process.
- When competitive sourcing for low value procurement would be uneconomical or would not attract bids.
- When competitive procurement may be found to be impractical for such items as meal expenses, incidental travel expenses (e.g. taxi service, phone calls) and training and education expenses.
- General corporate expenses such as ongoing hardware and software licensing, debenture payments, refund payments, vehicle and other licensing costs, bank charges, government remittances and other statutorily required payments.
- When by legislation or regulation, the service can be provided only by the following licensed professionals: medical doctors, dentist, nurses, pharmacists, veterinarians, engineers, land surveyors, architects, chartered accountants, lawyers and notaries.

Exclusion of Bidders Due to Poor Performance

The CAO in consultation with the Department Head and /or legal counsel, may prohibit unsatisfactory suppliers and contractors from bidding on any future competitive bids for a period of time appropriate with the results of past performance results. Performance deficiencies may include, but are not limited to, failure to meet contract specifications, terms and conditions, health and safety violations or exceeding the approved cost. Performance issues must be noted in any project meeting minutes. Appropriate and sufficient documentation of unsatisfactory performance of a supplier or contractor will be completed and

submitted to the CAO within 30 days upon completion of the service or good being provided. A summary of the performance record will be provided to the supplier, contractor or consultant.

Contract Management and Supplier Performance

Once a contract has been signed, the respective Department Head is responsible for all aspects of the contract management. The following principles must be followed:

- The scope of each contract must be appropriately managed to ensure that all deliverables are properly received, quality control is undertaken, payments are appropriately made, all timelines are met, and any extension options are properly exercised.
- All payments are made in accordance with the contract and for reviewing, coding and approving supplier invoices in a timely fashion.
- Scope changes and contract amendments are to be managed prudently when unforeseen events arise during a project. A supplier must submit a change order request including rationale, cost, and timing implications. The change must be approved by the Township and funded within the approved budget. Amendments resulting in an increase of greater than 10% of the original contract value must be approved by the CAO.

Reporting

The CAO shall report to Council at its next regularly scheduled meeting:

- Any special case authorized by the CAO to award a contract on a single source basis
- Any significant issues respecting the administration of this Policy and the steps taken or underway to deal with the matter.