

**The Corporation of the Township of North Frontenac**

**By-law # 100-19**

**Being a By-law to Amend By-law #94-16, the Policy to Govern the Purchasing of Goods and Services by the Township of North Frontenac**

**Whereas** Section 5 of the *Municipal Act*, S.O. 2001, as amended, states that the powers of the Municipal Council shall be exercised by By-law, unless the municipality is specifically authorized to do otherwise;

**And Whereas** Section 270(1) of the *Municipal Act*, S.O. 2001, as amended, states that a municipality and a local board shall adopt Policies with respect to its procurement of goods and services;

**And Whereas** Council deems it necessary to amend the existing Procurement Policy to remove the requirement for the Treasurer to provide a Voucher Report at each Council meeting for information purposes;

**Now Therefore the Council of the Corporation of the Township of North Frontenac enacts as follows:**

**That** By-law #96-14 - Section 5.14 Operation Purchases is amended to remove the following: "The Treasurer shall provide Council with a Voucher Report on each regular Council Agenda for Council's information. The Voucher Report shall list all payments that have been issued since the last report";

**And That** this by-law shall come into force and take effect on the date of final passing;

**And That** all Resolutions, By-laws or parts of By-laws, which are contrary to or inconsistent with this by-law, are hereby repealed.

**Read** a first and second time this 13<sup>th</sup> day of December, 2019.

**Read** a third time and passed this 13<sup>th</sup> day of December, 2019.

---

Mayor

---

Deputy Clerk



## Schedule "A" to By-law #100-19

### Procurement Policy

#### Contents

<b>SECTION 1.0 - PROCUREMENT POLICY GOALS.....</b>	<b>3</b>
<b>SECTION 2.0 - DEFINITIONS.....</b>	<b>3</b>
<b>SECTION 3.0 - GENERAL PROVISIONS.....</b>	<b>7</b>
3.1    APPLICATION OF POLICY.....	7
3.2    APPLICATION OF THE POLICY TO OTHER MUNICIPALITIES .....	7
3.3    COMPLIANCE WITH LEGISLATION AND TRADE AGREEMENTS .....	7
3.4    RESTRICTIONS .....	7
3.5    CONFLICT OF INTEREST .....	8
3.6    AUTHORIZED PERSONS .....	8
3.7    PRESCRIBED COUNCIL APPROVAL.....	9
<b>SECTION 4.0 - PREPARING FOR A BID REQUEST.....</b>	<b>9</b>
4.1    BID DOCUMENTATION .....	9
4.2    ADVERTISEMENT OF BID REQUESTS.....	10
4.3    BONDS AND SECURITY .....	10
4.4    SECURITY DEPOSITS.....	11
4.5    PERFORMANCE BONDS & LABOUR AND MATERIAL BONDS .....	11
4.6    INSURANCE.....	11
4.7    DONATIONS .....	13
<b>SECTION 5.0 – PURCHASING METHODS.....</b>	<b>13</b>
5.1    PURCHASES LESS THAN (\$1,000) DOLLARS.....	13
5.2    PURCHASES UP TO \$5,000 INCLUSIVE.....	13
a) <i>Request for Verbal Quotes:</i> .....	13
5.3    PURCHASES BETWEEN FIVE THOUSAND (\$5,000.01) AND TWENTY THOUSAND (\$20,000) DOLLARS INCLUSIVE ..	13
a) <i>Request for Written Quotes:</i> .....	13
5.4    PURCHASES BETWEEN TWENTY (\$20,000.01) AND FIFTY THOUSAND (\$50,000) DOLLARS INCLUSIVE .....	14
a) <i>Request for Tender</i> .....	14
b) <i>Request for Quotation:</i> .....	14
c) <i>Vehicle Exception:</i> .....	14
5.5    PURCHASES EXCEEDING FIFTY THOUSAND (\$50,000) DOLLARS .....	14
a) <i>Request for Tender</i> .....	14
b) <i>Request for Proposal:</i> .....	14
c) <i>Vehicle Exception:</i> .....	15
5.6    TWO-ENVELOPE PROCUREMENT PROCESS .....	15
5.7    SUPPLIERS OF SPECIALIZED GOODS AND/OR SERVICES (NON-COMPETITIVE PROCUREMENTS) .....	16
5.8    VENDORS OF RECORD.....	17
5.9    IN-HOUSE BIDS.....	17
5.10   EMERGENCY PURCHASES.....	17
5.11   COOPERATIVE PURCHASING.....	18
5.12   NO COST PURCHASING .....	18

5.13	CORPORATE CREDIT / PURCHASE CARDS .....	18
5.14	OPERATIONAL PURCHASES .....	18
5.15	MINIMUM CONTENT FOR REQUEST FOR TENDER / PROPOSAL / QUOTATION DOCUMENTS FOR PURCHASES OVER \$20,000 (EXCLUDING EXCEPTIONS).....	19
<b>SECTION 6.0 – OPENING AND EVALUATING BIDS.....</b>		<b>19</b>
6.1	OPENING BIDS.....	19
6.2	PREFERENCE TO LOCAL SUPPLIERS.....	20
6.3	REJECTION OF BIDS IN RELIANCE ON PRIVILEGE CLAUSE.....	20
6.4	ONLY COMPLIANT BIDS TO BE CONSIDERED .....	20
6.5	DUTY OF FAIRNESS TO BIDDERS .....	20
6.6	PRIVACY AND FREEDOM OF INFORMATION .....	21
<b>SECTION 7.0 - PROBLEMS ENCOUNTERED IN THE ADMINISTRATION OF PROCUREMENT PROCEDURES.....</b>		<b>21</b>
7.1	WHERE STRICT ADHERENCE TO POLICY UNMANAGEABLE .....	21
7.2	UNRESPONSIVE OR EXCESSIVE BIDS .....	22
7.3	IDENTICAL BIDS .....	22
7.4	BID IRREGULARITIES .....	22
<b>SECTION 8.0 – FORM OF CONTRACT .....</b>		<b>23</b>
<b>SECTION 9.0 - OTHER.....</b>		<b>23</b>
9.1	ACCESS TO INFORMATION .....	23
9.2	ACCESSIBILITY .....	23
9.3	POLICY REVIEW .....	24
<b>APPENDIX A .....</b>		<b>24</b>
<b>APPENDIX B .....</b>		<b>27</b>
<b>APPENDIX C .....</b>		<b>28</b>
<b>APPENDIX D .....</b>		<b>29</b>

## **SECTION 1.0 - PROCUREMENT POLICY GOALS**

To ensure openness, fairness, accountability and transparency while protecting the financial best interests of the Township of North Frontenac.

To set out guidelines for the municipality to ensure that all purchases of materials, supplies and services provide the lowest costs consistent with the required quality, service, product delivery, efficiency and effectiveness.

To have regard to the accessibility of persons with disabilities in the procurement of Goods and/or Services purchased by the Township of North Frontenac.

To encourage the procurement of Goods and/or Services with due regard to the preservation of the natural environment, Vendors may be selected by the Treasurer to supply goods or provide services made by methods resulting in the least damage to the environment. Consideration may be given to energy efficiency, reduction in solid waste for disposal, reduction in chemical emissions, and incorporation of recycled materials where practicable. When feasible, and when stated in the tender documents, preference will be given to those purchases that reduce the life cycle costs.

To promote the use of innovation and the use of technology in procurement activities to ensure the utilization of the most efficient and effective processes and practices.

To monitor and report on the economic climate and legislative changes which may have an impact on the Township of North Frontenac and to determine the appropriate actions to be taken through purchasing Policies and procedures.

## **SECTION 2.0 - DEFINITIONS**

As used herein the following definitions shall apply unless otherwise indicated:

**Authorized** - in relation to a Person, means authorized by this Policy to act on behalf of the Township to: (i) initiate Bid Requests and other forms of Procurement activities (ii) govern the conduct of a Bid Request; and (iii) make an Award;

**Authorized Person** - means a Person who is authorized and includes any Designates. As specified in Appendix B, "Procurement Authorizations", and attached to this Policy;

**Award** - means the approval given by the Authorized Person to enter into a Contract/Agreement;

**Bid** - means a tender, quotation, proposal or other form of submission from a prospective Vendor in response to a Bid Request;

**Bid Bond** - means a written, valid, subsisting, binding and irrevocable undertaking by a surety company to pay to the Township a specified amount in the event the successful bidder fails to enter into or fulfil a Contract; (see Section 4.5)

**Bid Documents** - means the documents issued by the Township in connection with a Bid Request;

**Bid Request** - means a written request by the Township for Bids in connection with the provision of Goods and or Services and includes, without limitation, Requests for Proposals, Requests for Tenders, Requests for Quotations and Calls for Tenders;

**Bidder or Tenderer** - means a Person that submits a Bid;

**CAO** - means the Chief Administrative Officer of the Corporation of the Township of North Frontenac, being the Senior Official for the Township having the authority to bind the Township; or in the CAO's absence, the Manager appointed by Council as the CAO Back-up.;

**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 products and materials and the supply of equipment and machinery 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 include professional services related to the construction contract unless they are included in the procurement;

**Contract** - means the acceptance by the Township of a Bid in the 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 Council of the Corporation of the Township of North Frontenac;

**Department** - means an organizational business or service unit of the Township to which Council has allocated a budget;

**Designate** - means a Person to whom authority to conduct Procurement activities has been delegated by the Authorized Person and Designates shall be approved in advance by the CAO;

**Electronic Tendering System** - means a world wide web or Internet based system (such as MERX or BIDDINGO) that is used by purchasers of Goods and or Services to submit/research Bid Requests;

**Emergency** - means an urgent situation involving a real or perceived threat to public health, safety or security and includes threats to financial and property interests; (see Section 5.10)

**Evaluation Grid** - has the meaning attributed to it in Section 5.6;

**Goods and Services** - means all supplies, equipment, materials, services (including without limitation, insurance, professional consulting services, and Construction contracts) to be supplied or furnished by a Vendor and all components thereof;

**In-house bidding** - means a process that permits Departments to respond to Bid Requests in competition with external Bidders; (see Section 5.9)

**Irregularity** - in reference to the contents of a Bid means a departure from the strict requirements of a Bid Request as reflected by the Bid Documents;

**Manager** - means the Township staff person (as defined in the Personnel and Employment Policies and Procedures Manual) responsible for the directional and operational control of a Department, including, without limitation, the Department's budget;

**MASH Annex** - means Annex 502.4 to the Agreement on Internal Trade;

**MASH entities** - means those entities to which the MASH Annex applies, namely:

- Municipalities
- Municipal organizations
- School boards
- Publicly-funded academic, health and social service entities

**No Cost Purchasing** - means a procurement of Goods or Services or Construction where the Township shall not bear any expense or capital expenditure cost; (see Section 5.12)

**Pecuniary Interest** - means a pecuniary interest, whether deemed, direct or indirect, within the meaning of the *Municipal Conflict of Interest Act*, including any subsequent amendments, revisions and regulations there to.

**Person** - includes individuals, corporations, partnerships, firms and trusts and may include Council;

**Policy** - means this Procurement Policy;

**Pre-qualification** - means the process of selecting a number of prospective Vendors who are determined by the Treasurer to be experienced in the provision of a specific type of Goods and/or Services;

**Procurement** - A goods, services or construction contract involving a purchasing, leasing, renting or exchange transaction, arrived at by a competitive or non-competitive process. Procurement also includes material(s) management, contract management, advisory services and implementation and adherence to best practices.

**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 a written offer from the Township to Purchase Goods and or Services in the form prescribed by the Treasurer;

**Request for Expressions of Interest (EOI)** - a general market research tool to determine Vendor interest in a proposed procurement, used prior to issuing a call for bids or proposals and not intended to result in the award of a contract. All EOIs shall be approved in advance by the CAO;

**Request for Proposal** - A competitive procurement process for obtaining unique proposals designed to meet broad outcomes to a complex problem or need for which there is no clear or single solution.

**Request for Tender** - A competitive procurement process for obtaining competitive bids based on precisely defined requirements for which a clear or single solution exists.

**Single Sourcing** - means the process of procuring Goods and or Services from a particular Vendor without the utilization of a Bid Request issued to other potential Vendors (see Section 5.7);

**Total Acquisition Cost** - means the Township's estimate of the amount of a particular Contract plus applicable taxes and less any applicable rebates;

**Township** - means the Corporation of the Township of North Frontenac;

**Treasurer** - means the Treasurer of the Township appointed by Council;

**Vendor** - means any Person supplying Goods and or Services to the Township in accordance with the terms of a Contract; and

**Vendor of Record (VOR) Process** - means a procurement process in which Bids are sought only from the members of a select group of prospective Vendors as determined by the process. (see Section 5.8)



## **SECTION 3.0 - GENERAL PROVISIONS**

### **3.1 Application of Policy**

The provisions 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.

Save and except for the provisions of Part VIII, which provisions apply to all Purchases on behalf of the Township, the Purchase of Goods and/or Services listed in Appendix A "Goods and Services Exempt"; attached to this Policy are exempt from the provisions of this Policy.

### **3.2 Application of the Policy to other Municipalities**

The terms of this Policy are applicable to the Township "*mutatis mutandis*" (making the necessary alterations). Any Person carrying on activities on and from Township property shall refer to the appropriate Manager all proposals for Purchases of any Goods or Services that will be used by such Person on Township property and will thereafter become the property of the Township.

### **3.3 Compliance with Legislation and Trade Agreements**

All Procurement activities on behalf of the Township shall be undertaken in compliance with Section 13 of the *Ontarians with Disabilities Act, 2001*, S.O. 2001, Chap. 32, the *Accessibility of Ontarians with Disabilities Act, 2005*, and all related regulations requiring regard to accessibility for persons with disabilities to the Goods or Services.

The provisions of the MASH Annex and the Agreement on the Opening of Public Procurement for Ontario and Quebec (the "AOPPOQ") are incorporated by reference into this Policy, and shall form a part hereof. In the event of a conflict or inconsistency between any provision of this Policy and a provision of the MASH Annex or the AOPPOQ, the provision of the latter referenced trade agreements shall prevail.

### **3.4 Restrictions**

a) No Person shall approve or initiate the Purchase of Goods and or Services except in accordance with the terms and conditions set out in this Policy. Unless otherwise provided, no Purchase shall be made unless approved by a Person Authorized to do so in accordance with the provisions of Appendix B (Procurement Authorizations) attached to this Policy.

b) No requirements may be divided into two or more parts to avoid the application of the provisions of this By-law.

c) Purchase requisitions for services, where the services could result in the establishments of an employee – employer relationship, are not permitted.

d) Where this By-law identifies delegated authority limits for contract awards, the value of the contract shall be the sum of;

- I. All costs to be paid to the supplier under the contract;
- II. All taxes, and
- III. Less any rebates

### **3.5 Conflict of Interest**

Where a Person with the ability to influence or otherwise affect the outcome of a decision to Award a Contract or to select a Bidder, either on his or her own behalf, or while acting for, by, with or through another Person, has any Pecuniary Interest in the subject matter of such Contract or Bid Request, that Person:

- (i) shall immediately disclose the fact of the Pecuniary Interest to the Authorized Person and shall describe the general nature thereof, provided that:
  - (a) in the case where a Manager is the Authorized Person and such Manager has a Pecuniary Interest, the Manager will disclose his or her Pecuniary Interest to the CAO who shall then make such directions and take such steps as are necessary to ensure that the provisions of this Policy are adhered to; and
  - (b) in the case where the CAO is the Authorized Person and also has a Pecuniary Interest, the CAO shall disclose his or her Pecuniary Interest to Council which shall then make such directions and take such steps as are necessary to ensure that the provisions of this Policy are adhered to;
- (ii) shall not take part in any deliberations regarding the Award of the Contract including any vote in relation thereto; and
- (iii) shall not attempt in any way to influence the Award of the Contract.

### **3.6 Authorized Persons**

The Persons to whom authority is granted to carry on Procurement activities as Authorized Persons are identified in Appendix B (Procurement Authorizations) attached to this Policy. Unless otherwise provided in this Policy, Authorized Persons shall have full authority and responsibility for the conduct of the Bid Request (including without limitation, the preparation, issuance and advertising of Bid Documents), the Award of a Contract and executions of Agreements.

Unless otherwise provided in this Policy, Authorized Persons may appoint Designates to assist with or carry out the responsibilities of the Authorized Person, in which case, such Designates shall be deemed to be Authorized Persons for the purposes of this Policy to the extent of the authority that has been delegated to them. Designates shall be approved in advance by the CAO.

Where Council is the Authorized Person, any documents that are to be executed by the Authorized Person shall be signed by the Mayor and Clerk of the Township.

### **3.7 Prescribed Council Approval**

The following matters are subject to Council approval:

- a) Any proposed Bid Request in connection with a procurement having a Total Acquisition Cost in excess of \$50,000 which has not specifically been authorized through the budget process.
- b) Any proposed Bid Request in connection with a procurement where the Total Acquisition cost, or in the case of proposed multiple Bid Requests with respect to a particular project or program, the sum of the respective proposed Total Acquisition Costs and other related expenses, in excess of \$50,000 and is greater than the Council approved budget for such project or program;

## **SECTION 4.0 - PREPARING FOR A BID REQUEST**

### **4.1 Bid Documentation**

All documents related to Procurement activities, including without limitation, all Bid Requests, over \$20,000 and Bid Documents, shall be reviewed by the CAO and/or Treasurer before release to prospective Bidders to ensure:

- (i) compliance with this Policy; (ii) internal consistency between any Bid Documents that are proposed to be issued and those that have been issued by the Township in the past; and
- (iii) that any substantive amendments to standard clauses have been approved by the Township's legal counsel.

The Authorized Person, in consultation with the CAO, may seek out the expertise of external engineers, lawyers, architects, planners and other qualified professional consultants for assistance in the design of Bid procedures and in the preparation of Bid Requests and Bid Documents.

The Bid Documents issued in connection with every competitive Bid Request shall contain:

- (i) a privilege clause advising Bidders that the lowest or any Bid may not necessarily be accepted; and
- (ii) a provision reserving the right of the Township to cancel the Bid Request at any time up to the Award of a Contract.
- (iii) where a Contract includes work performed by the Vendor on Township of North Frontenac property, no letter of intent shall be issued until the Vendor has provided proof of required insurance and proof of compliance with WSIB, the *Accessibility for Ontarians with Disabilities Act, 2005* and the *Occupational Health & Safety Act, 1990* and all applicable regulations.

The Authorized Person, in consultation with the CAO shall ensure that all terms and criteria, apart from price, that are to be relied upon in awarding a Contract be fully disclosed in the Bid Documents.

**4.2 Advertisement of Bid Requests**

Bid Requests in respect of Procurements having a Total Acquisition Cost in excess of \$20,000 shall be advertised on the Township of North Frontenac’s website, in the local newspaper and other options as deemed appropriate by the Authorized Person.

The Authorized Person, in consultation with the CAO, shall ensure that the provisions of the MASH Annex and the AOPPOQ are adhered to especially where the Total Acquisition Cost of a proposed Bid Request trigger the following thresholds:

- Goods and/or Services procurement with a Total Acquisition Cost of \$100,000 or more (both the MASH Annex and the AOPPOQ apply)
- Construction procurement with a Total Acquisition Cost of \$100,000 or more (the AOPPOQ applies)
- Construction procurement with an estimated value of \$250,000 or more (both MASH Annex and AOPPOQ apply)

In addition to the minimum standards set out in this Policy, Bid Request advertisements may be supplemented by other means of notification where deemed appropriate by the Authorized Person, in consultation with the CAO, in keeping with the stated goals and objectives of this Policy as set out in Part I.

Prescribed minimum advertisement periods for Bid Requests are set out in the Public Notice Policy.

**4.3 Bonds and Security**

Refundable deposit requirements for Requests for Tenders, Requests for Proposals and or Request for Quotations shall be as follows, with the exception that those projects using the Ontario Provincial Safety Standards (OPSS) based tender documents the value of the Bid Bond required will be consistent with the OPSS guidelines

<b>Total Acquisition Cost</b>	<b>Minimum Deposit Required</b>
\$20,000.00 or less	\$500 (requirement at discretion of Authorized Person, in consultation with the CAO)
\$20,000.01 to \$100,000.00	5% of the Bid
>\$100,000.01	10% of the Bid

#### **4.4 Security Deposits**

Each bidder shall submit a security deposit with Contractor/Firms bid, if requested to do so (Not applicable for tangible items, such as vehicles and /or equipment). Deposit ensures that a successful bidder will enter into a formal agreement with the Township upon acceptance of the tender bid. If for some reason the successful bidder does not enter into a Contract, his security deposit is forfeited to the Township. Security deposits help to ensure that only serious bids are received for tender call.

An acceptable security deposit shall be one or more of, but are not limited to, certified cheque, bank draft, irrevocable letter of credit, money order and where appropriate, a Bid Bond issued by an approved guarantee company properly licensed in the province of Ontario, on bond forms acceptable to the Township.

After the contract has been executed, the Township will return the deposits by registered mail with exception that bid bonds will be returned by regular mail for all unsuccessful bidders (not negotiated).

#### **4.5 Performance Bonds & Labour and Material Bonds**

Whenever a tender is let for construction or service supply in connection with a Contract, over \$100,000, (Not applicable for tangible items such as vehicles/equipment or engineering/consulting contracts) , the Township demands a Performance Bond and a Labour and Material Bond, guaranteed by a surety company of good standing. These bonds protect the Township from a successful bidder who does not complete the work required in the formal contract. Where this occurs, the surety company may be required to pay the Township an amount up to the bond limit. A Performance Bond to guarantee the performance of a Contract; and a Labour and Material Bond to guarantee the payment for labour and materials to be supplied in connection with a Contract shall both be taken for 100% of the contract fee and be included as part of the bid itself. Otherwise the Township will not consider the bid.

#### **4.6 Insurance**

The successful contractor/firm at the contractor/firm's expense, shall furnish the Township with a "Certificate(s) of Insurance" of a liability insurance Policy covering public liability and property damage for no less than the minimum amounts stated below to the satisfaction of the Township, naming **The Corporation of the Township of North Frontenac** as **additional insured** and keep in force and to supply prior to the Contract commencement date and for the entire Contract period.

The standard insurance minimums are as follows:

- \$2 million – general liability Policy.
- \$2 million - automobile liability Policy.
- \$5 million – general liability and automobile liability Policies – for contract work done for most public works and environmental services department projects which have specific high risk activities such as shoring or blasting.
- \$2 million – professional errors and omissions liability.

The Policy shall contain:

- a. A "Cross Liability" clause or endorsement.
- b. An endorsement certifying that The Corporation of the Township of North Frontenac and the successful contractor/firm are included as an additional insured.
- c. An endorsement to the effect that the Policy or Policies will not be altered, cancelled, or allowed to lapse without thirty (30) days prior written notice to the Township.
- d. All loading and transportation equipment owned, leased, or used by the contractor/firm to carry out the work shall be included in an Automobile Liability Insurance package provided by the contractor/firm and filed with the Township prior to commencement of the work, with a limit of five million dollars (\$5,000,000.00) inclusive per occurrence or claim for bodily injury, death and damage to property.
- e. Contractor/Firm's liability insurance Policy shall not contain any exclusions of liability for damage, etc. to property, building or land arising from:
  - the removal or weakening of support of any property, building or land whether such support be natural or otherwise;
  - The use of explosives for blasting; and/or the vibration from pile driving or caisson work, provided that the minimum coverage for any such loss or damage shall be five million dollars (\$5,000,000.00).

Evidence of insurance coverage satisfactory to the Treasurer (at no less than the minimum levels set out in in this policy) ensuring 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 labour component (no dollar threshold);

An acknowledgement by the Vendor of its obligations under the *Occupational Health and Safety Act*, and the Township's safety policy satisfactory to the Authorized Person;  
An acknowledgement by the Vendor of its obligations under the *Accessibility for Ontarians with Disabilities Act, 2005* and its regulations and evidence of compliance satisfactory to the Authorized Person 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; and  
Evidence of compliance with any other legislation by which the trade or activity is governed is to be provided.

## **4.7 Donations**

If a donation has been approved by Council Resolution for the purchase of a specific type of item, the item will be ordered by the Authorized Person and will be required to follow the appropriate Purchasing Method as laid out in this Policy. The Donor will then provide their donation amount as set out in the Resolution.

Exception: Item purchased and paid for by the donor. This type of donation shall be approved by Council Resolution prior to accepting such donation.

To ensure compliance with Township Practices, Policies and Procedures, the Authorized Person shall provide Council with an Administrative Report prior to Council making a decision on any donations.

## **SECTION 5.0 – PURCHASING METHODS**

Purchase Orders are required for all purchases over \$1,000.

Any purchase not included in or exceeding the annual Council approved Budget shall receive approval in advance from the CAO.

### **5.1 Purchases Less Than (\$1,000) Dollars**

Petty cash funds as established by Council Resolution may be used by the Authorized Person for purchases in which case non-competitive direct procurement processes may be utilized.

All Petty Cash fund disbursements shall be evidenced by vouchers which shall be available for auditing purposes through the Treasurer.

### **5.2 Purchases Up to \$5,000 Inclusive**

#### **a) Request for Verbal Quotes:**

Quotation(s) shall be undertaken for purchases between \$1,000 and \$5,000. Three (3) verbal quotes is recommended and shall be obtained when possible.

### **5.3 Purchases Between Five Thousand (\$5,000.01) and Twenty Thousand (\$20,000) Dollars inclusive**

#### **a) Request for Written Quotes:**

When timely purchasing is critical and/or when the formal process is not cost beneficial.

To obtain competitive pricing for a one-time procurement in an expeditious and cost effective manner through phone, fax, e-mail, other similar communication method Vendor advertisement or Vendor catalogues

A documented (informal) request for 3 written quotations shall be undertaken for Purchases having a Total Acquisition Cost of between \$5,000.01 and \$20,000.

## **5.4 Purchases Between Twenty (\$20,000.01) and Fifty Thousand (\$50,000) Dollars inclusive**

### **a) Request for Tender**

Subject to Section 8.0, a Request for Tender shall be issued for Purchases having a Total Acquisition Cost of between \$20,000.01 and \$50,000 where the Vendor is not a single source Vendor and where the requirements for which a clear or single solution exists can be precisely defined

### **b) Request for Quotation:**

Same as for Request for Tender except that bid solicitation is done primarily on an invitational basis from a pre-determined bidders list but may be supplemented with public advertising of the procurement opportunity.

### **c) Vehicle Exception:**

Vehicle purchases where the Gross Vehicle Weight(GVW) is less than 4500 kg may be purchased by way of request for three(3) written quotations. The quotes must be from a minimum of 3 different dealer/brands. The vehicle must also be suitable to position and purpose.

## **5.5 Purchases Exceeding Fifty Thousand (\$50,000) Dollars**

### **a) Request for Tender**

To implement an effective, objective, fair, open, transparent and accountable and efficient process for obtaining competitive bids based on precisely defined requirements for which a clear or single solution exists. Subject to Section 8.0, a Request for Tender shall be used for any purchases of Goods and/or Services having a Total Acquisition Cost exceeding \$50,000.

### **b) Request for Proposal:**

For Purchases having a Total Acquisition Cost exceeding \$50,000, a Request for Proposal shall be used in place of a Request for Tender or a Request for Quotation in circumstances where, in the opinion of the Authorized Person and in consultation with the CAO:

- a. Owing to the nature of the project: (i) the project requirements are not capable of being specifically delineated; (ii) Bidders are invited to propose a solution to a problem, requirement or objective; and (iii) the selection of a Vendor is to be based on the effectiveness of the proposed solution rather than on price alone; or
- b. It is expected that negotiations with one or more Bidders may be required with respect to any aspect of the requirement.



Bids in response to a Request for Proposal shall be evaluated in accordance with a similar evaluation methodology as set out in the Guidelines issued by the Consulting Engineers of Ontario (“Evaluation Grid”). Appendix “D” attached to this Policy contains a sample only of the evaluation methodology.

The Treasurer **may** maintain a list of suggested evaluation criteria for assistance in preparing an Evaluation Grid, which criteria may include factors such as approach, equipment and facilities, experience and qualifications, methodology, past performance and scheduling, price and strategy. The weighting factors of the Evaluation Grid may be altered when preparing Bid Documents if it is deemed appropriate by the Authorized Person, in consultation with the CAO, in keeping with the stated goals and objectives of this Policy.

The Authorized Person and in consultation with the CAO, may Award a Contract emanating from Bids in response to a Request for Proposal provided that:

- a. The Award is made to the Bidder meeting all mandatory requirements and determined, by reference to an Evaluation Grid, as providing best value; and
- b. Sufficient funds are available and identified in appropriate accounts within Council Approved Budgets; and/or
- c. The provisions of this Policy are complied with.

**c) Vehicle Exception:**

Vehicle purchases where the Gross Vehicle Weight(GVW) is less than 4500 kg may be purchased by way of request for three(3) written quotations. The quotes must be from a minimum of 3 different dealer/brands. The vehicle must also be suitable to position and purpose.

The Authorized Person shall follow the provisions of Section 8.0 regarding the form of Contract required to complete the purchase .

## **5.6 Two-Envelope procurement Process**

The two-envelope approach is used when the Authorized Person wants to evaluate the technical and qualitative information of a given proposal without being influenced by prior knowledge of the corresponding pricing information. Proposal evaluation is completed by a team of staff from possibly more than one department (appointed by the Authorized Person) who have relevant expertise for making the evaluation.

In the two-envelope approach, each proponent must submit qualitative and technical information in a sealed clearly marked envelope (envelope one) and pricing information in a second sealed clearly marked envelope (envelope two). The contents of envelope one are evaluated and scored according to pre-determined criteria such as relevant firm experience, project team’s qualifications/experience,

client references, personnel time allocation, understanding of scope of work, methodology/thoroughness of approach, quality and completeness of proposal submission, etc.

If a proponent's first envelope meets the minimum score requirement according to the pre-determined process document then the second envelope will be opened to evaluate the price. If a proposal is not eligible to proceed to price evaluation, the proponent is disqualified from further consideration and the second envelope is returned to the proponent unopened.

The total evaluated scores are ranked, and the proposal with the highest ranked score is considered the successful proposal. In the event of a tie, the Proposal with the lowest price will be deemed the successful proponent.

Appendix "D" attached to this Policy contains a sample only of the evaluation methodology

## **5.7 Suppliers of Specialized Goods and/or Services (Non-Competitive Procurements)**

To allow for procurement in an efficient and timely manner without seeking competitive pricing.

To provide for exceptions to the procurement requirements of interprovincial trade agreements

Authorized Persons, in consultation with the CAO, may Award Contracts on a Single Source, non-competitive basis to suppliers of specialized goods and/or services who are on the Vendor of Record list. The Award of the Contract will be documented by the issuance of a blanket purchase order to recognize the standing agreement.

Non-competitive contracting may be justified under the following set of criteria which includes, but is not limited to

- when there is a statutory- or market-based monopoly on the item
- when no bids were received in a competitive process
- when the required item is covered by an exclusive right such as a patent, copyright or exclusive licence
- when the purchase is already covered by a lease-purchase agreement where payments are partially or totally credited to the purchase
- when it is necessary to ensure compatibility with existing products or to avoid violating warranty/guarantee requirements when service is required
- when the required item is in short supply due to market conditions
- 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
- when an urgent procurement is necessary for fulfilling a statutory order issued by a federal or provincial authority, such as an environmental, public health, or workplace safety compliance order.
- when specialized experience, knowledge or expertise is required
- when by legislation or regulation, the service can be provided only by the following licensed professionals: medical doctors, dentists, nurses, pharmacists, veterinarians, engineers, land surveyors, architects, chartered accountants, lawyers and notaries

## **5.8 Vendors of Record**

The Township may select the VOR process of procurement if the Vendors are included on a Vendor of Record list. Generally, there shall be a documented detailed working relationship with the Vendor who will be providing the Goods or Services needed by the Township without the Township absorbing the administrative costs of seeking several quotes. The VOR process may be used either directly to Procure Goods and or Services (i.e. without further competition) or it may be used as the basis for a Bid Request.

Annually, in an effort to encourage Vendors, Vendors will be provided with the opportunity to be included on the Vendor of Record list through an annual Contract work advertisement placed on the Township website and in the local newspaper. The Treasurer can add Vendors to the list at any time upon recommendation by an Authorized Person and complete any necessary Credit Applications while maintaining purchase thresholds as determined through this Policy.

Any Vendor can be removed from the VOR list at any time on recommendation to the CAO by the Treasurer.

Testimonial Letters shall not be issued by the Township.

## **5.9 In-House Bids**

In-House Bids would not normally be accepted in the Procurement of Goods and/or Services but may be considered in circumstances where Township departments can offer the goods or service at a competitive rate and the Authorized Person considers it appropriate to do so. An evaluation of the In-House Bid would be undertaken under the same criteria as that required for external Vendors.

## **5.10 Emergency Purchases**

Where, in the opinion of the Authorized Person and in consultation with the CAO, an Emergency (see “Emergency” definition) exists requiring the immediate procurement of Goods and/or Services, he or she may authorize the Purchase of the required Goods and/or Services by the most expedient and economical means subject to the following:

- (i) any Authorized Person, in consultation with the CAO, may authorize Emergency Purchases having Total Acquisition Costs of \$50,000 or less;
- (ii) for Emergency Purchases having a Total Acquisition Cost less than \$50,000, Managers who are Authorized Persons require the written approval of the CAO to authorize the Emergency Purchase; and
- (iii) for Emergency Purchases having a Total Acquisition Cost greater than \$50,000, only the Township Mayor may authorize such a Purchase.

### **5.11 Cooperative Purchasing**

The Township may participate with other government agencies or public authorities in cooperative purchasing where, in the view of the CAO it is in the best interest of the Township to do so and where the purposes, goals and objectives of this Policy are complied with by such government agencies and public authorities.

Notwithstanding Section 5.11, where the Policies of the government agencies or public authorities calling the cooperative Bid Solicitation are not consistent with the Township's, the Treasurer will document the policy differences and present the rationale for continuing with the cooperative procurement. The Treasurer may recommend the cooperative procurement to the CAO for approval. The Treasurer will document the Policy differences and present the rationale for continuing with the cooperative procurement.

### **5.12 No Cost Purchasing**

No Cost Purchasing shall be acquired in the same manner and using the same Purchasing methods and Authorized Persons as procurements that have a cost to the Township, depending on the estimated value of the No Cost Purchase and thresholds determined in this Policy.

### **5.13 Corporate Credit / Purchase Cards**

Corporate credit/purchase cards and maximum credit/purchase limits shall be used by an Authorized Cardholder to purchase any eligible good or service where the total purchase price, including all applicable taxes, is within the cardholder's authorized maximum. All use of corporate credit cards shall be in accordance with this Policy and supported by valid authorized source documents. The CAO and the CAO Back-up are the Authorized Cardholders for the Township with each maximum credit/purchase limits of \$50,000.

### **5.14 Operational Purchases**

To enable Council to ensure spending that occurs prior to budget being finalized, is handled properly, without delaying the general operations, the CAO and Managers are authorized to spend 50% of the previous year's Operating costs only (not Capital) until the annual budget is approved by Council.

Payments will be released in response to invoices and net 30 days from the date received. The Treasurer is authorized to pay all accounts, to avoid late charges, in accordance with this Policy.

### **5.15 Minimum Content for Request for Tender / Proposal / Quotation Documents for purchases over \$20,000 (excluding exceptions)**

- a) Project Work Title
- b) Background information
- c) Schedule of Events
- d) Scope
- e) Process (including Opening Process)
- f) Submission of Offers – sealed bids
- g) Contract
- h) Acceptance or Rejection of Submission Guidelines
- i) Confidentiality
- j) Errors and Omissions
- k) Legislative and licensing requirements
- l) Incurred costs
- m) Terms of Payment
- n) Schedule A – details of work to be completed
- o) Schedule B – Bid submission form

## **SECTION 6.0 – OPENING AND EVALUATING BIDS**

### **6.1 Opening Bids**

All Sealed Bids (in response to Bid Requests issued over \$20,000 estimated value) shall be received at the Township office where they shall be opened with at least the CAO, the responsible Manager and the Authorized Person in attendance. If the Authorized Person is Township Council, the Mayor or Mayor's Designate shall also be present.

Bids received later than the specified closing time will be returned unopened to the Bidder.

Bidders may withdraw their bids at any time up to the official closing time specified in the Bid Documents in the manner specified therein.

Bid requests with estimated Total Acquisition Cost exceeding 20,000 will be opened at a location determined by the CAO and public are welcome to attend.

The following processes shall be used when RFP submissions are opened:

The name of each Proponent will be released at the time of opening as well as the total bid amount including HST. After opening a summary of each Proponent and total bid will be provided upon request.

## **6.2 Preference to Local Suppliers**

Allowing local preferences to become a factor in determining the award of a contract has been legally challenged as a very restrictive trade practice. Not only is a municipality limiting the amount of competition and, therefore, its choices with regard to value, quality, etc., but it would also be contravening various pieces of legislation (*Discriminatory Business Practices Act, R.S.O. 1990, c. D.12*). The municipality will endeavor to achieve Lowest Overall Cost in its commercial transactions through totally fair, open competition for all vendors, regardless of their location, and all vendors will be permitted to compete solely on the basis of their ability to provide best values, when and where the Township is required to disburse public funds. As a consequence, the Township will not practice local preference in awarding procurement contracts.

1. Except as set forth in (2), no local preferences shall be shown or taken into account in acquiring goods and services on behalf of the Township
2. Where there are two responses to a solicitation for goods or services which, after evaluation, appear equal in all respects, a local preference may be shown for the sole purpose of breaking a tie in favour of the local supplier. Preference will be given to purchase of goods and/or services firstly to North Frontenac based businesses, secondly to business located within the County of Frontenac, and thirdly to Canadian owned businesses. If a decision still cannot be reached, the contract should be awarded on the basis of the most advantageous time schedule.

## **6.3 Rejection of Bids in Reliance on Privilege Clause**

In the event that the Authorized Person is relying on the so-called “privilege clause” (see Section 4.3 (i)) as the basis for the rejection of a particular Bid, the Authorized Person shall document the specific reasons for such rejection and the reasons so stated shall be consistent with considerations contained within the Bid Documents.

## **6.4 Only Compliant Bids to be Considered**

Subject to Section 7.7, in evaluating Bids, the Authorized Person shall not consider any Bids that are not in compliance with the terms and conditions set out in the Bid Documents.

## **6.5 Duty of Fairness to Bidders**

The Authorized Person:

- (i) shall not permit a Bidder to alter or amend his Bid once the time for Bid submissions tenders has closed;

- (ii) shall act fairly, bargain in good faith, and not give any Bidder an unfair advantage over other Bidders; and
- (iii) shall not conduct bid shopping or procedures akin to bid shopping.

## **6.6 Privacy and Freedom of Information**

All Bids and attached materials received in response to a Bid Request are deemed to be the property of the Municipalities as of the date of their submission except to the extent they are protected as third party material under applicable privacy law. The municipal Freedom of Information and Protection of Privacy Act (MFIPPA or the Act) applies to all tenders, quotations and proposals submitted to the Municipalities. Tenders, quotations and proposals will be received in confidence and are subject to the disclosure requirements of the Act. Pursuant to orders made by the information and Privacy Commissioner/Ontario, the members of the Municipalities shall not withhold the following information from tenders, quotations or proposals, if requested through the MFIPPA process by any person or business:

- The cover letter to the tender, quotation, or proposal;
- The table of contents
- Lists of figures, tables, and appendices; and
- Any information regarding the form and structure of a tender, quotation or a proposal (i.e. information which may disclose the manner in which the documentation is constructed).

Proponents should identify any portions of their tender/quotation/proposal which contain a trade secret, scientific, technical, financial, commercial or labour relations information supplied in confidence and which will cause harm if disclosed. The Municipalities cannot ensure that any given portion of any materials received in response will not be ordered released under MFIPPA.

## **SECTION 7.0 - PROBLEMS ENCOUNTERED IN THE ADMINISTRATION OF PROCUREMENT PROCEDURES**

### **7.1 Where Strict Adherence to Policy Unmanageable**

If, in the context of either the approval to issue a Bid Request, the actual conduct of a Bid Request, or the determination of whether the Township shall enter into a Contract and with whom, circumstances arise that, in the view of the Authorized Person, would make strict adherence to the provisions of this Policy difficult, impractical, unmanageable or would otherwise run counter to the stated goals of this Policy or not be in the best interests of the Township, the Authorized Person shall:

- (a) where the Authorized Person is a Manager, advise the CAO of the Township who shall have authority to determine the appropriate action; and

- (b) where the Authorized Person is the CAO, advise Council which shall have the authority to determine the appropriate action.

## **7.2 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 then:

- (i) The Authorized Person may reissue a revised Bid; or
- (ii) The Authorized Person, in consultation with the CAO, jointly may enter negotiations with the lowest compliant Bidder to achieve an acceptable Bid within the project estimate.

## **7.3 Identical Bids**

If the Lowest Compliant Bids from two or more Bidders are identical in total cost or unit price, as the case may be, the Authorized Person, in conjunction with the CAO, may enter into negotiations with the Bidders who have submitted the identical price in an attempt to obtain a lesser price and shall maintain a record in respect of such negotiations.

The Authorized Person and/or the CAO shall not reveal information pertaining to such negotiations or the manner in which the final price was determined to any of the Bidders concerned. The Authorized Person 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 Authorized Person may break the tie in a manner consistent with the provisions of the Bid Documents. In this regard, the Authorized Person shall not utilize any arbitrary means in order to break a tie, but may have regard to certain factors (including the past performance records of the Bidders) provided such factors are specifically identified in the Bid Documents as being available for consideration in the event of identical Bids.

## **7.4 Bid Irregularities**

The procedure for administering Irregularities shall be as set out in Appendix "C". The Authorized Person is directed to respond to an Irregularity in the manner specified in the third column.

Where Appendix C does not provide a clear direction to the Authorized Person in respect of a particular Irregularity, the Authorized Person shall, in the case where the Authorized Person is a Manager, seek the direction of the CAO. Where the Authorized Person is the CAO, the CAO shall seek the direction of Council. In any case of questionable direction, the CAO may seek the opinion of the Township's legal counsel.



## **SECTION 8.0 – FORM OF CONTRACT**

The Award of a Contract over \$1,000 shall be made by way of a Purchase Order and executed by the Authorized Person.

A Purchase Order alone is to be used when the resulting Contract requires standard contractual terms and conditions.

In addition to the Purchase Order, a formal Agreement shall be used when the resulting Contract is complex and will contain terms and conditions other than standard contractual terms and conditions as determined by the Authorized Person and Treasurer.

Where it is deemed that a formal Agreement is required, the formal Agreement shall be reviewed by the Treasurer and Legal Counsel as required.

Where a formal agreement is required, the Agreement shall be executed by the Authorized Person. A copy of **all** Agreements/Contracts shall be provided to the CAO. All lease Agreements (i.e. Equipment/Buildings/Properties/etc. shall be signed by the CAO if over \$50,000 and may be signed by the Manager if under \$50,000 and subject to the CAO's approval.

All lease Agreements shall be copied to the Treasurer for applicable Insurance purposes.

All Township owned Property Rental and/or Lease Agreements shall be approved by Council.

Purchase Orders should not be issued after the purchase has been made and billed. If materials are ordered verbally then a manual Purchase Order shall be issued immediately and copy provided to the Treasurer.

Exercise of Contract Renewals or Multi-Year Contracts where a Contract for goods or services contains an option for renewal or multi-year term, the Manager, in consultation with the CAO, may authorize such option.

## **SECTION 9.0 - OTHER**

### **9.1 Access to Information**

The disclosure of information received relevant to the issue of Bid Requests or the Award of Contracts emanating from Bid Requests shall be in accordance with the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.M56, as amended.

### **9.2 Accessibility**

This Policy and all advertising for Bid Requests over \$20,000 will be provided electronically on the Township website by the Treasurer.

The Township of North Frontenac will incorporate accessibility criteria and features into its procurement of Goods and Services and facilities. Where it is impractical for the Township to incorporate accessibility criteria and features when procuring or acquiring specific Goods and Services and facilities, the Treasurer will provide a written explanation, upon request. Bid documents shall, upon request, be made available in an accessible format to persons with a disability at no additional charge.

The Vendor, and all sub-contractors hired by the Vendor in the 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 and all applicable regulations.

### **9.3 Policy Review**

The Treasurer will randomly review Departmental purchasing on an ongoing basis to assess the effectiveness and efficiency of the procedures and to ensure that this Policy has been consistently applied.

Council shall review the Procurement Policy during each term of Council.

This Policy may be amended from time to time as deemed necessary, but only by Council adopting an Amending By-law.

The review shall determine how effective this Policy has been in achieving the objectives set out in Part 1 of this Policy as well as the requirements of the *Municipal Act, 2001*, as amended.

## **APPENDIX A**

### **Goods and Services “Exempt” from Provisions of the Procurement Policy**

**Note: All purchases shall be approved as part of the annual budget process and/or within the provisions of this Policy prior to purchasing.**

1. Petty Cash Items
2. Training and Education
  - a) Conferences
  - b) Courses
  - c) Conventions
  - d) Memberships
  - e) Seminars
  - f) Periodicals
  - g) Magazines
  - h) Staff training
  - i) Staff development
  - j) Staff workshops
  - k) Subscriptions
3. Employee Expenses
  - a) Advances
  - b) Meal Allowances
  - c) Travel & Hotel accommodation
  - d) Entertainment
  - e) Miscellaneous – Non-Travel
4. Employer's General Expenses
  - a) Payroll deduction remittances
  - b) Licenses (vehicles, elevators, radios, etc)
  - c) Debenture payments
  - d) Grants to agencies
  - e) Payments of damages
  - f) Tax remittances
  - g) Insurance premiums
  - h) Postage
  - i) Charges to/from other Government or Crown Corporations
  - j) Employee income
  - k) Petty cash replenishment
  - l) Consumable Goods (i.e. Fuel, Oil, Salt/Brine and EFR supplies with shelf life)
5. Professional and Special Services
  - a) Committee fees
  - b) Witness fees
  - c) Court Reporters' fees
  - d) Honoraria
  - e) Arbitrators

- f) Mediators
  - g) Legal settlements
  - h) Contracts related to the provision of “controlled acts” by persons “governed by a health profession Act” as those expressions are used in the Regulated Health Professions Act, S.S. 1991, c18 as amended
  - i) Freight charges
6. Utilities
- a) Postage
  - b) Water and sewer charges
  - c) Hydro
  - d) Cable television charges
  - e) Telephone / Cellular phones
  - f) Natural Gas / Heating Fuel
  - g) Emergency Radio Repairs
7. Advertising services required by the Township on or in but not limited to radio, television, newspaper and magazines
8. Bailiff or collection agencies

## APPENDIX B

### Procurement Authorizations

The following table shall determine the identity of the Authorized Person in respect of a proposed Bid Request / Agreements or Contracts

<b>Total Acquisition Cost</b>	<b>Authorized Person</b>
Less than \$50,000 and included in the approved budget	Managers
Greater than \$50,000 and included in the approved budget	Township CAO
Less than \$50,000 that are not included in the approved budget	Township CAO (Managers are to provide details to CAO prior to acquiring the expense for the CAO's consideration)
Greater than \$50,000.01 and not included in the approved budget	Requires Council approval in advance to provide authorization to the CAO to proceed

## APPENDIX C

### Administering Irregularities in Bid Opening

	<b>Irregularity</b>	<b>Response</b>
1	Late Bids	Automatic rejection and not opened or read publicly
2	Unsealed Bid Envelope (where a sealed bid is required in the bid documents)	Automatic rejection
3	Bids written in pencil rather than typewriter or completed legibly in ink	Automatic rejection
4	Bids received on tender documents other than those provided by the Township	Automatic rejection
5	Corporate Seal or Authorized Signatory signature missing	Automatic rejection
6	Failure to provide bid securities as required by tender document	Automatic rejection
7	Documents in which addenda with financial implications have not been acknowledged	Automatic rejection
8	Bid requirements not completely met	Rejection depends on significance of bid requirements oversight
9	Restricted or qualified bids	Rejection depends on significance of bid restriction or qualification
10	Bids containing clerical and/or arithmetical errors	An acknowledgement and correction by fax/email within 1 hour of notification, to be followed in letter form within 24 hours to correct and initial errors
11	Overwrites, strikethroughs, or erasures of bidder's entries are not initialed	24 hours to initial from time of notification
12	All other irregularities	Depending on the significance of the irregularity, at the discretion of the Manager, in consultation with the CAO, the bid envelope will either be automatically rejected, 24 hours will be given to correct and initial, or the bid may be accepted with the irregularities

# APPENDIX D

## SAMPLE EVALUATION CRITERIA

### **Basis of Selection**

The Township intends to recommend the appointment of the Consultant on the basis of best overall value, as determined by the review of the technical proposal, consultant interview and fee proposal. The Consultant appointment is subject to approval by the Township in accordance with the provisions of the Purchasing By-Law.

Financial points will only be awarded to submissions that have achieved a minimum score of 40 points on the technical evaluation criteria. Proposals that do not meet this minimum score will be deemed non-compliant and will be given no further consideration.

### **Criteria Weighting**

The proposal should include a demonstrated understanding of the scope and particulars of this project and should clearly address the evaluation criteria below.

A total of 100 points will be allocated to the proposal, evaluated using the following breakdown:

<b>Category</b>	<b>Available Points</b>
<i>Technical:</i>	
Qualifications and Experience	10
Understanding of Objectives	15
Quality of Approach and Methodology	20
Proposed Work Plan and Schedule	15
<b>Sub-total</b>	<b>60</b>
<i>Financial:</i>	
Fees and disbursements (including sub-consultants)	40
<b>Total</b>	<b>100</b>

### **Qualifications and Experience**

Provide a brief company profile, and recent project team related experience in table format. Provide three (3) similar projects completed by your firm. Provide client references for each project. Resumes should be included in an appendix. The qualifications and experience of any sub-consultants shall also be included.

### **Understanding of Objectives**

Describe your understanding of the assignment, including overall scope and objectives, noting any particular issues that may require specific attention.

## **Quality Approach and Methodology**

Describe the approach and methodology to be followed in completing all aspects of the assignment in order to achieve the stated project objectives. The points are allocated as follows:

- Approach is comprehensive 10 points
- Methodology will achieve objectives 10 points

## **Proposed Work Plan and Schedule**

Provide a work plan and schedule in the form of a Gantt chart to illustrate the breakdown of the major tasks and the level of effort of the individual team members in sufficient detail to allow a complete understanding as to how and by whom the work is to be carried out.

## **Fees**

The Consultant is to provide, either combined with the above Gantt chart or in a separate chart, a task by task breakdown of the costs and a total upset limit price, including all engineering fees, disbursements, but exclusive of HST, to complete this assignment, as outlined herein, in the Consultant's proposal.