



CORPORATION OF THE TOWNSHIP OF ALBERTON

BY-LAW NO. 06/24

Being a by-law governing procurement and purchasing policies and procedures for the Township of Alberton.

WHEREAS Section 270 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, states that a municipality shall adopt policies with respect to its procurement of goods and services, including policies with respect to:

- (a) the types of procurement processes that shall be used;
- (b) the goals to be achieved by using each type of procurement process;
- (c) the circumstances under which each type of procurement process shall be used;
- (d) the circumstances under which a tendering process is not required;
- (e) the circumstances under which in-house bids will be encouraged as part of a tendering process;
- (f) how the integrity of each procurement process will be maintained;
- (g) how the interests of the municipality, the public and persons participating in a procurement process will be protected;
- (h) how and when the procurement processes will be reviewed to evaluate their effectiveness; and
- (i) any other prescribed matter.

AND WHEREAS a *Purchasing and Procurement Policy* was adopted by Council by By-Law #08/12;

AND WHEREAS use and review of the said *Purchasing and Procurement Policy* has warranted its update in order to ensure that the goals set out therein are more effectively achieved in the best interests of the Township and its residents;

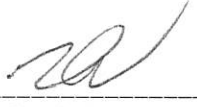
AND WHEREAS Council for the Township of Alberton deems it expedient and desirable to implement an *updated Purchasing and Procurement Policy* which sets out policies and procedures to be followed by the Township with regard to the procurement of goods and services;

NOW THEREFORE the Council of the Corporation of the Township of Alberton enacts as follows:

1. **THAT** the *Purchasing and Procurement Policy* attached hereto as Schedule "A" shall be and is hereby adopted.
2. **THAT** By-Law #08/12 be and is hereby repealed.
3. **THAT** this By-Law shall come into force and take effect upon the final passing thereof.

READ A FIRST, SECOND AND THIRD TIME AND PASSED THIS 15th DAY OF February, 2024.




Mike Ford, Mayor


Lisa Sheppard, Clerk



PURCHASING AND PROCUREMENT

Township of Alberton

POLICY

Resolution # 2024- 54 By-law # 06/24
Date: February 15, 2024

PURPOSE

The purpose of this Policy is to outline the processes to be followed to obtain the best value when purchasing goods or contracting services for the Corporation of the Township of Alberton and help to ensure those goods and services are effective, efficient and support a process that is open, fair, transparent, competitive. This policy will also set specifications, where possible, for goods and services that achieve environmental benefits, such as water conservation, waste reduction, pollution prevention and energy conservation. Procurement of efficient, durable and sustainable products that contain post-consumer, recyclable, non-toxic and non-petroleum products will be sourced wherever possible. Ongoing evaluation will be performed on products and services based on a full life cycle perspective with consideration for the total costs of economic, social and environmental benefits. Responsible stewardship requires implementing practices that strive towards reducing the overall consumption of goods and services through the most effective procurement procedures. The Township of Alberton will encourage competition amongst suppliers by using an open, transparent and fair process;

- Assist and provide direction to Staff, Vendors and Council relating to the procurement process; manage process control and segregation of duties
- Where practicable, provide accessibility for persons with disabilities when purchasing goods, services and construction;
 - Be environmentally conscious through the purchase of goods and services
 - Strive to ensure ethical purchasing practices are used by all staff

SCOPE

This Policy applies to all departments, staff, volunteers and boards within the reporting entity of the Township of Alberton for the procurement of all goods, services and construction. The Township of Alberton is a major purchaser of goods and services. It is important that procurement processes are inclusive so that all vendors can participate, and all contracted parties are aware of the need to provide accessible goods and services.

LEGISLATIVE AUTHORITY

Procurement is subject to all applicable Township of Alberton policies and By-Laws and specific provisions of the *The Municipal Act, 2001*, *The Conflict of Interest Act*, *The Discriminatory Business Practices Act* and all other Federal and Provincial legislation.



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Specifically; *Section 270 of the Municipal Act, 2001*, S.O. 2001, c.25, as amended, states that a municipality shall adopt policies with respect to its procurement of goods and services, including policies with respect to:

- (a) the types of procurement processes that shall be used;
- (b) the goals to be achieved by using each type of procurement process;
- (c) the circumstances under which each type of procurement process shall be used;
- (d) the circumstances under which a tendering process is not required;
- (e) the circumstances under which in-house bids will be encouraged as part of a tendering process;
- (f) how the integrity of each procurement process will be maintained;
- (g) how the interests of the municipality, the public and persons participating in a procurement process will be protected;
- (h) how and when the procurement processes will be reviewed to evaluate their effectiveness; and
- (i) any other prescribed matter.

Specifically; *Section R.S.O. 1990, c. D.12, s. 2 of The Discriminatory Business Practices Act*; to prevent discrimination in Ontario on the ground of race, creed, colour, nationality, and ancestry, place of origin, sex or geographical location of persons employed in or engaging in business.

DEFINITIONS:

Definitions for this policy are contained in Appendix B.

ADMINISTRATION and ACCOUNTABILITY:

- All purchasing and procurement functions will be centralized and operate through Administration.
- All Departments, staff, and volunteers will obtain a purchase order from the Administrative Assistant/Deputy Clerk before any goods and services are purchased. Purchase orders will be returned to the Administrative Assistant/Deputy Clerk along with any specifications and details relevant to procurement including timelines, sourcing, quantity and quotation details.
- The CAO/Clerk-Treasurer will review, request additional information or clarify as needed and may approve all purchase orders for items less than \$5,000.00.
- Administrative Assistant/Deputy Clerk will facilitate ordering, invoicing and receiving of items.
- Items greater than \$5,000.00 will be approved by Council resolution, except where exclusions apply.
- This purchasing and procurement policy applies to all goods and services necessary, with the exception of the following:
 1. General expenses such as payroll deductions, remittances, grants to agencies, damage claims, petty cash replenishment, tax remittances, insurance premiums and ongoing maintenance for computer hardware and software, fuel purchases for Fire and grounds keeping vehicles.



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2. Professional and special services (excluding all contracted services except cleaning), including committee fees, legal fees, and other professional services related to litigation or legal matters, witness fees, veterinary expenses, audit or accountant fees, collection agency fees or medical examinations.
3. Utilities, telecommunications, advertising, licenses and certificate fees
4. Goods and services provided by government agencies or Crown corporations or provided in-house by the Township.
5. Goods, services or equipment deemed by the CAO/Clerk-Treasurer to be necessary or advisable to carry out the requirements of the Municipal Elections Act
6. Any goods or services identified as excluded elsewhere in this policy or excluded by resolution of Council.

2. PROCUREMENT METHODS:

INFORMAL PROCESSES:

2.1 Quotations Not Required:

2.1.1 The CAO/Clerk-Treasurer is authorized to make or approve budgeted purchases of goods and services where the estimated expenditures are less than \$5000.00, exclusive of applicable taxes, from such vendor and upon such terms and conditions as he or she deems appropriate, without obtaining formal or informal quotes.

2.2 Informal Quotation Purchases:

2.2.1 Unless otherwise specifically authorized by resolution of Council, for those items or services having an estimated budgeted value of greater than \$5,000.00 but not greater than \$25,000.00 the CAO/Clerk-Treasurer may source information through an informal quotation process whereby three informal quotes, either verbal or written, are obtained.

2.2.2 Unless otherwise specifically authorized by resolution of Council, all goods or services having an estimated budgeted value of greater than \$25,000.00 but not greater than \$50,000.00 a formal quotation process will be utilized whereby three formal written quotes are obtained.

2.2.3 Notwithstanding the above, adherence to the informal quotation process is not required with respect to the items listed below:

2.2.3.1 Single source supply;

2.2.3.2 Purchase by direct negotiation resulting from single or sole source procurement;

2.2.3.3 Purchase by direct negotiation authorized by Council;

2.2.3.4 Excluded procurements as set out in Section 9 hereof; and

2.2.3.5 With regard to a procurement authorized by resolution of Council to be exempt from the tendering policy.

FORMAL PROCESSES:

2.3 Formal Quotation Purchases:



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2.3.1 Unless otherwise specifically authorized by resolution of Council, the CAO/Clerk-Treasurer shall procure all goods or services having an estimated budgeted value of greater than \$50,000.00 but not greater than \$100,000.00 through a formal quotation process whereby three written quotes are obtained.

2.4 Formal Tender Purchases:

2.4.1 Unless otherwise specifically authorized by resolution of Council, the CAO/Clerk-Treasurer shall procure all goods or services having an estimated budgeted value of greater than \$100,000.00 through a formal tender process as described in Appendix "A" attached hereto.

2.4.2 Council may, by resolution, authorize a tender procurement to be completed by way of either public or invitational tenders.

2.4.3 Notwithstanding the above, adherence to the tendering requirement is not required with respect to the items listed below, or to a transaction specifically authorized by resolution of Council to be exempt from the tendering policy:

2.4.3.1 Single source supply.

2.4.3.2 Purchase by direct negotiation resulting from single or sole source procurement.

2.4.3.3 Purchase by direct negotiation authorized by Council.

2.4.3.4 Excluded procurements as set out in Section 9 hereof; and

2.4.3.5 Regarding a procurement authorized by resolution of Council to be exempt from the tendering policy.

OTHER:

2.5 Purchase by Negotiation:

2.5.1 Upon authorization by resolution of Council, the CAO/Clerk-Treasurer or a Department Head may purchase by negotiation with one or more vendors and the formal bid process may be waived under one or more of the following conditions:

2.5.1.1 When market conditions and the goods are in short supply; or

2.5.1.2 When there is only one source of supply; or

2.5.1.3 Where there may be more than one source of supply in the open market but only one source is recommended by the Clerk-Treasurer and/or Department Head for consideration on the grounds that it provides better overall value to the Township; or

2.5.1.4 When only one bid is received in response to a tender call or where only one bid is received which satisfies the requirements of the tender call; or

2.5.1.5 Where two or more identical bids are received in response to a tender call, the CAO/Clerk-Treasurer may negotiate with all bidders who submitted identical bids, keeping all negotiations fair and ethical; or

2.5.1.6 When all bids that meet the desired specifications exceed the amount budgeted and it is not viable or in the best interests of the Township to accept the lowest bid, the CAO/Clerk-Treasurer may negotiate with the two lowest bidders submitting a bid; or

2.5.1.7 Council authorizes purchase by negotiation by way of resolution.



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2.5.2 The undertaking of negotiations for a procurement by the Township shall in no way obligate the Township to procure goods or services from the party with whom the Township undertakes negotiations.

2.6 Sole Source Procurement:

2.6.1 Upon authorization by resolution of Council, purchase by sole source procurement, which may include purchase by negotiation, may be adopted if, in the judgment of the CAO/Clerk-Treasurer or Department Head, any of the following conditions apply:

2.6.1.1 Goods and/or services are in short supply due to market conditions.

2.6.1.2 The sources of supply are restricted to the extent that there is not effective price competition, or consideration of substitutes is precluded due to any of the following:

2.6.1.2.1 Components or replacement parts for which there is no substitute;

2.6.1.2.2 Compatibility with an existing product, facility or service is required;

2.6.1.2.3 Specific standards are adopted by Council;

2.6.1.3 Documented evidence is provided which confirms that the extension of an existing contract or contractual arrangement would prove most beneficial to and in the best interests of the Township;

2.6.1.4 Where the value of work is less than \$10,000.00 and such work is required at a location where a contractor has already been secured through a formal or informal process, with established unit prices, and it is deemed to be in the best interests of the Township to extend the unit prices for the work to be performed for the Township;

2.6.1.5 Where the value of work is less than \$10,000.00, and where a contractor able to do the work is already in the vicinity and it is deemed to be in the best interests of the Township to engage that contractor's services to perform the work for the Township;

2.6.1.6 When only one quotation or bid is received through the procurement process and it is impractical to recall the requirements of the request for quotations or call for tenders.

3. UNSOLICITED PROPOSALS:

3.1 Unsolicited proposals received by the Township shall be reviewed by the CAO/Clerk-Treasurer. Any procurement activity or contract resulting from an unsolicited proposal shall be awarded only on a non-competitive basis, and only when the requirements of the non-competitive procurement policies and procedures set out herein have been satisfied.

3.2 Submitters of unsolicited proposals shall be made aware that the content of their proposal, or a portion thereof, may be used to create a public or invitational tender or request for quotation and there shall be no obligation upon the Township to engage the submitter to provide the said goods or services. Submission of an unsolicited proposal shall in no way require the Township to procure the goods or services from the submitter.



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4. PURCHASE OF USED EQUIPMENT:

4.1 Where appropriate and desirable; the purchase of used equipment should be evaluated. Items that are sold by other municipalities, by private sale or public auction, or through a vendor licensed to sell used equipment, by sealed bid, or by negotiation could be considered provided that:

- 4.1.1 The equipment meets or exceeds the departmental equipment requirements; and
- 4.1.2 It is documented that it is fiscally responsible to purchase a used piece of equipment rather than purchase new; and
- 4.1.3 If the total expenditure per piece of equipment exceeds \$10,000.00 and the expenditure is not authorized in the budget or by resolution of Council, a report must be provided to Council prior to acquisition detailing purchase information and expenses, and a resolution of Council approving the purchase of used equipment is obtained.

5. EMERGENCY PURCHASES:

5.1 Notwithstanding the provisions of this policy, in case of an emergency, whether or not officially declared, when an event occurs that is determined by the Mayor, CAO/Clerk-Treasurer and/or Department Head to be a threat to:

- 5.1.1 public health
- 5.1.2 maintenance of essential Township services
- 5.1.3 welfare of persons or of public property, or
- 5.1.4 security of the Township or its interests

and response to the threat requires the immediate procurement of goods or services, and the imminent need does not permit time for a competitive bid process to take place, the CAO/Clerk-Treasurer may authorize the procurement of such goods, services and/or construction as is deemed necessary to remedy the situation.

5.2 The relevant details surrounding the emergency event shall be included in a report and submitted to Council at the next scheduled Council meeting or as soon after the event as is reasonably practicable.

6. EXEMPTIONS:

6.1 The CAO/Clerk-Treasurer or a Department Head may request exemption from any or all of the purchasing methods outlined in this policy by submission of a report to Council requesting same. Any such exemption must be granted by resolution of Council.

7. PURCHASING AUTHORIZATIONS AND RESPONSIBILITIES:

7.1 Expenditure Authorization:

7.1.1 Council has ultimate authority for all expenditures. Council delegates this authority by the adoption of budgets or by specific resolution. The CAO/Clerk-Treasurer shall not pay for any item that has not been authorized by Council through budget appropriation or by specific resolution. This purchasing policy provides guidelines outlining how spending authority is to be exercised.



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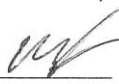
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7.2 Expenditure Approval and Responsibilities:

- 7.2.1 The CAO/Clerk-Treasurer shall be responsible for approval of accounts within the approved budget or any amendment to same as approved by Council.
- 7.2.2 Unspecified capital expenditures authorized in the annual estimates, and expenditures which exceed or may exceed approved budgeted amounts, require Council approval by way of resolution prior to procurement.
- 7.2.3 Resolutions approving budget amendments, capital expenditures or special appropriations shall set out the purpose of the expenditure, cost estimates or expenditure limitations, and the fund in which an appropriation has been provided, if any. All reports recommending such resolutions must contain the CAO/Clerk-Treasurer's endorsement.

8. ADMINISTRATION:

- 8.1 The CAO/Clerk-Treasurer shall be responsible for:
 - 8.1.1 the management, organization and administration of a centralized purchasing function;
 - 8.1.2 the procurement, storage and distribution of all materials, equipment, supplies and services on behalf of the Township. Where the CAO/Clerk-Treasurer deems it expedient, he or she may delegate performance of any of these functions to the appropriate Department Head or to the Administrative Assistant/Deputy Clerk;
 - 8.1.3 the issuance of all requests for quotations and calls to tender.
 - 8.1.4 The management, responsibility and authorization for the P-Card or Procurement Card, for purchases on behalf of the Corporation and as approved for use by Council
- 8.2 Department Heads shall be responsible for:
 - 8.2.1 the operation of an effective inventory control system for his or her department, with the objective of keeping inventory at a minimum but at an adequate level to support and supply the departments.
 - 8.2.2 all vendor contacts and maintaining good business relations; and
 - 8.2.3 supplying the CAO/Clerk-Treasurer with specifications for procurements which clearly define required quality and/or function and which include such details, information, drawings, maps or other material as may be required to be attached to the bid documents or as may be needed for his or her guidance and information in the preparation and calling of quotations or tenders, or in the placing of orders. Specifications are to be generic or "as equivalent". All factors influencing the purchasing decision are to be included in the specifications.
- 8.3 For the purposes of this policy, any reference herein to "Department Head" shall include the Chair of a committee of the Township.
- 8.4 Department Heads and committees of the Township shall provide to the CAO/Clerk-Treasurer by January 1st in each year the estimates of their requirements for the subject fiscal year for budgetary purposes in order to ensure adequate supplies of goods and services.
- 8.5 The CAO/Clerk-Treasurer shall, with the cooperation of Department Heads, promote and coordinate standardization of goods wherever possible, and shall advise on and approve the practicality of specifications.
- 8.6 No contract or purchase shall be divided to circumvent the requirement(s) of this policy.



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8.7 In all procurements:

- 8.7.1 Consideration shall be given the best overall value for the Township, which shall be based on the best combination of quality, demonstrated ability to perform the work and best financial advantage to the Township, as determined by the Township in its sole and unfettered discretion, which may be based in whole or in part on past experience, rather than only lowest price.
- 8.7.2 Where acceptance of other than the lowest quotation or tender received would result in a higher quality of service, or a more reasonable end cost to and better value for the Township, a report on the proposed purchase and the quotations or tenders received shall be submitted to Council for consideration, approval and, if deemed expedient, contract award.
- 8.7.3 Provided that all specifications and quality or performance requirements are met and assured, total cost shall be the prime criteria used to determine best value for the Township.

8.8 The Township may participate with other units of government, their agencies, boards or committees, or public authorities in cooperative purchase ventures when the best interests of Alberton Township will be served. Where such participation is at variance with the Township's purchasing policy, Council shall first authorize participation.

8.9 Performance evaluations may be undertaken on suppliers and providers of services and may be considered with regard to future acquisitions.

8.10 All invoices and accounts from vendors shall be authorized by the CAO/Clerk-Treasurer, following approval of and evidence of goods/service received/delivered by the applicable Department Head, prior to payment.

8.11 Between the last regular meeting of Council in any year and the adoption of estimates for the next year, the CAO/Clerk-Treasurer is authorized to pay all accounts for any ordinary business transactions of the Township which are required to maintain services prior to the adoption of estimates in addition to all accounts for approved expenditures, capital items and projects.

8.12 After the adoption of estimates, the CAO/Clerk-Treasurer is authorized to pay accounts in accordance with the estimates upon receipt of evidence of value received and in accordance with this policy.

8.13 Unless authorized by resolution of Council, goods or services which have not been provided for in the budget shall not be ordered.

9 EXCLUSIONS:

9.1 The procurement methods described in this by-law do not apply to procurement of the following goods and services:

9.1.1 Membership fees, subscriptions, medicals, licenses, debenture payments, magazines, periodicals and refundable staff/Councillor expenses

9.1.2 The following general expenses: payroll deductions remittances, grants to agencies, damage claims, petty cash replenishment, tax remittances, insurance premiums, ongoing maintenance for existing computer hardware and software.


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- 9.1.3 Professional and special services (excluding all contracted services except cleaning), including committee fees, legal fees, and other professional services related to litigation or legal matters, witness fees, veterinary expenses, audit or accountant fees, bailiff fees or collection agency fees, medical examinations.
- 9.1.4 Utilities, telecommunications, advertising, licenses, certificates.
- 9.1.5 Goods and services provided by government agencies or Crown corporations or provided in-house by the Township.
- 9.1.6 Hiring of consultants or contracts to complete project deficiencies or complete the work of a developer where the developer has abandoned the project or negligent in completion and where funds to complete the work are being drawn from deposits held by the Township and where time does not permit a competitive bidding process
- 9.1.7 Goods, services and/or equipment deemed by the Clerk-Treasurer to be necessary or advisable to carry out the requirements of the *Municipal Elections Act*.
- 9.1.8 Any goods or services identified as excluded elsewhere in this policy or excluded by resolution of Council.

10 INVESTMENT RECOVERY – DISPOSITION OF SURPLUS GOODS

- 10.1 Department Heads shall provide to the Clerk-Treasurer a list of items deemed as surplus assets for sale or disposal as same are identified.
- 10.2 Surplus assets not requested by any municipal department shall be sold or disposed of by the CAO/Clerk-Treasurer on authorization by Council in such manner as is directed by resolution.
- 10.3 Any surplus assets remaining after attempted sale or disposition by any of the methods described in Section 10.2 may be donated to a municipal department for future fund-raising activities upon the request of the department, donated to a non-profit entity by way of resolution of Council, or discarded as waste.
- 10.4 Unless otherwise directed by Council by way of resolution, revenue generated from the sale of each surplus asset shall be designated as current year administrative income.

11 CONFLICT OF INTEREST

- 11.1 No procurements shall be made for, on behalf of or for the personal benefit or use of any elected or appointed member of Council, any officer of the Township or any employee of the Township.
- 11.2 Where an employee who is involved in any procurement process has any pecuniary interest, whether direct or indirect, in the procurement, the employee:
 - 11.2.1 shall immediately disclose the interest and the nature thereof to the Clerk or, where it is the Clerk who has the pecuniary interest, to Council.
 - 11.2.2 shall not take part in the award of the contract.
 - 11.2.3 shall not attempt in any way to influence the award of the contract.
- 11.3 An employee has an indirect pecuniary interest if the employee or the employee's spouse or equivalent, or a child of the employee:



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- 11.3.1 has a controlling interest in, is a shareholder in, or is a director or senior officer of a corporation which has a pecuniary interest in the procurement.
- 11.3.2 is a partner in or is the sole proprietor of an unincorporated business entity or enterprise that has a pecuniary interest in the procurement; or
- 11.3.3 is in the employ of a person, corporation, unincorporated business entity or enterprise that has a pecuniary interest in the procurement.
- 11.4 All Council members shall conduct themselves in accordance with the *Municipal Conflict of Interest Act*, R.S.O. 1990, c. M.50, as amended.
- 11.5 All employees, members of Council and appointed officers are prohibited from accepting, directly or indirectly, from any person, company or corporation to which any procurement is or may be awarded, any rebate, gift, money or anything whatsoever of value, except where same is provided for the use and benefit of the Township.

12 REPORTING REQUIREMENTS:

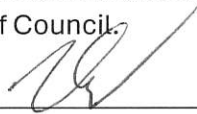
Consequences of Non-Compliance Failure to adhere to the requirements outlined in this Policy may lead to progressive disciplinary action up to and including termination of employment.

13 GUIDING PRINCIPLES:

This policy will help guide Township staff, Council, suppliers and the public with a clear understanding of accountabilities, responsibilities and the Municipality's rules governing its procurement and contracting activities. The objective is to: (a) promote openness, honesty, fairness, integrity, accountability, and transparency in the procurement process; (b) encourage competition in the procurement process; (c) prevent conflicts of interest – real, apparent, and potential – between suppliers and elected officials and staff; (d) ensure that goods and services are acquired at the best value for money; (e) require that suppliers are treated equitably, consistently, and without discrimination throughout the entire procurement process; (f) clearly identify the roles, responsibilities, and accountability of individuals involved in the procurement process; and (g) instill confidence in the public and in participants in the procurement process.

14 POLICY REVIEW:

- 14.1 This policy shall be reviewed by Council as deemed expedient to assess the effectiveness of the policy in achieving the objectives set out in Section 1 as well as in complying with the requirements of the *Municipal Act, 2001*, as may be amended from time to time.
- 14.2 This policy shall be amended only by resolution of Council.



Mayor Mike Ford



Clerk Lisa Sheppard



Mayor Initial



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APPENDIX "A"

TENDER PROCEDURE

The following applies to all tenders issued by the Township but does not preclude the addition of further terms or conditions to any particular tender:

PRIOR TO TENDER DUE DATE:

1. Sealed tenders shall be obtained by the CAO/Clerk-Treasurer:
 - 1.1 By posting notice of the tender on the Township's website; and
 - 1.2 By either:
 - 1.2.1 placing a minimum of two consecutive weekly advertisements in a newspaper having general local circulation, subject to the following:
 - 1.2.1.1 Such advertisements may be placed in out-of-town newspapers if it is deemed beneficial by the Clerk-Treasurer to do so in order to attract a greater number of bids.
 - 1.2.1.2 Where time is of the essence, a minimum of one advertisement may be placed in a newspaper having general local circulation. Such advertisement may be supplemented by local radio announcements and/or publication in additional publications as may, in the discretion of the CAO/Clerk-Treasurer, be deemed expedient.
 - or
 - 1.2.2 By forwarding an invitation to submit a tender, along with all pertinent tender information, to all known suppliers, vendors of record, pre-qualified vendors, or such suppliers as Council may specify by resolution.
2. Tender documentation shall be prepared by the CAO/Clerk-Treasurer, in conjunction with the relevant Department Head where applicable. It is the responsibility of the Department Head to ensure that proper tender documents, plans and specifications are prepared and available to prospective tenders on the day that notice of the tender is first published or on the day that the invitation is issued, as may be the case.
3. Where tender forms are supplied that include a provision for signature by the Township and the tenderer, the form is to provide firstly for the signature of the tenderer, then secondly by the Township.
4. All tender calls shall be identified by a numbering identifier assigned by the CAO/Clerk-Treasurer.
5. Unless otherwise authorized by Council, tenders shall close at 3:00 p.m. on a Wednesday that is not a holiday and shall be publicly opened by the CAO/Clerk-Treasurer and:
 - 5.1 the applicable Department Head or designate; and/or
 - 5.2 at least one member of Council

in Council Chambers of the Municipal Office forthwith after the specified closing time and date. Tender contents will be made public as a condition of the tendering process.



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6. Where two or more identical bids are received which meet specifications, the CAO/Clerk-Treasurer may negotiate with the bidders who submitted the identical bids in order to achieve the Township's purchasing goals. The use of purchase by negotiation in this manner in no way obligates the Township to obtain goods or services from any of the bidders with whom negotiations are undertaken.
7. Where all bids received in response to a tender call that meet specifications exceed the amount budgeted for the procurement, the Clerk-Treasurer is authorized to negotiate with all bidders whose bids exceed the budgeted amount by 15% or less in order to achieve, or attempt to achieve, the Township's purchasing goals. The use of purchase by negotiation in this manner shall in no way obligate the Township to obtain goods or services from any bidder(s) with whom negotiations are undertaken, and Council may instruct that a contract is not awarded for the procurement regardless of the results of such negotiations.
8. If tenders are being sought regarding capital projects, where:
 - 8.1 the Township has the capability to perform the work itself or through its existing contracts; and
 - 8.2 no acceptable tenders have been received; and
 - 8.3 work schedules and capabilities permit; and
 - 8.4 it is cost-effective to have the work performed internally or through its existing contracts, Council may direct, by resolution, that a contract is not awarded with regard to the call for tenders and that the project be completed internally or under existing contracts.
9. The following phrases shall be included in all tender documents:
 - Lowest or any tender not necessarily accepted. The Township reserves the right to reject any or all bids, to waive irregularities and/or informalities therein, and to award the contract in the best interests to the Township based on the best combination of price, demonstrated ability to perform the work and best financial advantage to the Township, as determined by the Township in its sole and unfettered discretion.
 - Questions regarding this tender must be directed to *(specify name, title, phone and fax numbers, and mailing address)*.
 - The Township reserves the right to disqualify tenders not submitted in strict accordance with the requirements of the tender documents and its procurement policy.
 - All pages of the tender document submitted must be numbered.
 - Bidders shall determine levy and collection of HST on amounts bid and shall show separately the HST amount, and HST number, or, alternatively, shall cite the basis of exemption in lieu thereof.
 - The Township is governed by the *Municipal Freedom of Information and Protection of Privacy Act* and bidders acknowledge and agree that tender contents will be made public as a condition of the tendering process.
 - To ensure tenderer compliance with the provisions of the *Occupational Health and Safety Act*, the tender shall provide the Township with such assurance by completion and provision of all information included in or required by the tender package with regard thereto.



Mayor Initial



Clerk Initial

- Tenders will be opened in the presence of the CAO/Clerk-Treasurer or designate, and the subject Department Head or designee, and one member of Council.
- Tender openings shall be open to the public.

10. The Township may cancel any tender at any time prior to the opening of tenders.

11. The Township may, at its option, refuse to award a contract after tenders have been opened where all tenders received exceed the amount budgeted for the goods or services for which a tender was sought.

REFUSAL TO ACCEPT TENDERS:

12. The CAO/Clerk-Treasurer shall refuse to accept any tender submission that is:

- Not sealed; or
- Received after the closing deadline; or
- Submitted after a tender has been cancelled.

BID IRREGULARITIES:

13. The following irregularities in bids shall result in automatic rejection of the tender:

- Corporate seal or equivalent proof of authority to bind corporate bidder is missing.
- Signature of bidder or corporate authority is missing in any section of the tender document requiring execution.
- Original signatures not provided.
- Bid surety not submitted with bid when such surety is required.
- Bid security by way of certified cheque is not provided where same is required.
- Required bid security cheque is not certified.
- Insufficient bid security
- Bid completed, or partially completed, in pencil or other erasable or removable medium.
- "White-Out" or similar product used on bid documents.
- Bidder does not attend mandatory site meeting when required.
- Pages missing from tender document.
- Bid received on documents other than those provided by Township (excluding additional sheets where tender allows for submission of same)
- Part bid received where complete bid has been requested.
- Bid fails to meet specification or quality requirements.
- Bid documents suggest that the bidder has made a major mistake in calculations or bid, or has grossly misinterpreted the tender.
- Bid document wording has been altered.
- Bidder indicates refusal to allow tender contents, or any portion thereof, to be made public.
- Changes to unit price(s) not initialed



 Mayor Initial



 Clerk Initial

14. The irregularities described below may be waived by the Township at its discretion:
- A proper response envelope or label is not used but the tender is sealed and received by the tender closing time specified.
 - Bid contains minor typographical error(s) in wording.
 - Minor changes to wording not initialed.
 - Changes to mathematical extensions of unit prices or tax calculations not initialed
 - Bid is conditional.
 - Bid is obscure.
 - Bid contains additions not called for, erasures or alterations of document wording.
15. Unit price(s) provided in a tender will govern, and the CAO/Clerk-Treasurer is permitted to correct errors only in mathematical extensions and/or tax calculations in a tender based thereon.
16. The Township reserves the right to accept or reject any or all tender submissions, including the lowest bid, in its absolute discretion. Where all bids have been rejected and/or disqualified, the Township reserves the right to reissue any bid document either in its original format or modified as best suits the requirements of the Township.

TENDER PRE-AWARD PROCEDURE:

17. Subsequent to tender opening, a written summary of tenders received and a recommendation, signed by those persons cited in Section 5 who publicly opened the tenders, shall be submitted for Council consideration and shall include the following:
- 17.1 Names of all bidders and values.
- 17.2 Comments as to any disqualification or bid irregularities – the absence of any comments from the report shall be deemed by Council as confirmation that those signing the summary found the tender(s) for which no comments are provided to be valid and in order, and those signing the summary assume full responsibility and may be held accountable in this regard.
- 17.3 A recommendation as to whom the contract should be awarded, provided that if the recommendation is to award a contract to other than the lowest tender, the grounds and rationale for the recommendation must be clearly stated.

TENDER APPROVAL PROCEDURE:

18. After opening of bids, consideration by Council of the summary described in Section 17 above, and discussion by Council:
- 18.1 Council shall make a decision whether or not to award a contract and such decision of Council shall be made in the form of a resolution or by-law, as appropriate. Where a contract is to be awarded, the resolution and/or by-law shall include authorization for the execution of any agreements or other necessary documents by the appropriate signing officers of the Township.
- 18.2 The CAO/Clerk-Treasurer shall arrange for the completion of the procurement documentation, including the completion and execution by the successful bidder of any contract and receipt of all required bidder documentation, including insurance endorsements, etc.



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Clerk Initial

18.3 After all documentation is finalized, the CAO/Clerk-Treasurer with the assistance of the relevant Department Head shall proceed to complete the procurement.

TENDER AWARD PROTESTS - DISPUTE RESOLUTION:

19. Protests or disputes raised by any bidder regarding any tender shall be resolved as follows:

19.1 All disputes shall be resolved between the bidder and authorized municipal staff only. Involvement of members of Council in bid dispute resolution is prohibited.

19.2 The bidder shall deliver to the CAO/Clerk-Treasurer written notice of the dispute or protest, which notice shall list all issues in dispute.

19.3 No new or additional issues may be added to the list of issues by the bidder after the said list is received by the CAO/Clerk-Treasurer.

19.4 The CAO/Clerk-Treasurer and the applicable Department Head shall review each issue in dispute and shall respond to same in writing. When deemed expedient by the said municipal officers, they may meet with the bidder raising the dispute with a view to resolving same.

19.5 The CAO/Clerk-Treasurer shall provide a report to Council regarding every dispute filed which identifies:

19.5.1 the nature of the dispute.

19.5.2 attempts made to resolve the dispute.

19.5.3 how the dispute was resolved.

19.5.4 whether Council approval of the resolution is required.

Where required, Council approval of a proposed resolution of issues, or directions provided by Council regarding a dispute, will be provided by Council by a formal resolution.

RISK MANAGEMENT

Risk Management ensures that the Township's interests are protected through the bidding process.

Risk Management includes:

- Bid deposits
- Performance, Labour & Material Payment and Maintenance Bonds
- Holdbacks
- Liquidated Damages - the CAO/Clerk-Treasurer in consultation with the Project Manager and/or Department Head will ensure that adequate security is provided in each bid opportunity.

INSURANCE & WSIB

The CAO/Clerk-Treasurer in consultation with the Project Manager or Department Head will ensure that satisfactory insurance coverage is obtained from each contractor and consultant working for the Township. Insurance limits will be based on recommendations from the Township's Insurer and insurance types will be relevant to the goods, services or construction being purchased. All contractors and consultants will be required to provide the Township with appropriate documentation outlining Workplace Safety Insurance Board (WSIB) coverage.



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EXCLUSION OF BIDDERS IN LITIGATION

The Township may, in its absolute discretion, reject a bid submission prior to or after a bid opening from any bidder that is:

- in litigation with the Township; or
- is directly or indirectly, including by common ownership or control or otherwise, related to a party to litigation with the Township; or
- intends to use a sub-contractor in respect of a specific project who is party to litigation with the Township or who is directly or indirectly, including by common ownership or control or otherwise, is related to a party to litigation with the Township. "Party to litigation with the Township" includes cases in which the Bidder or prospective Bidder or any of the parties included have advised the Township in writing of their intent to commence litigation or have commenced or have advised the Township of their intention to commence an arbitral proceeding against the Township. Bids from any Bidder in any of these circumstances shall be rejected as informal and noncompliant.



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Appendix “B”

DEFINITIONS:

“Accountability” means the obligation of an employee, agent or other person to answer for or be accountable for, work, action or failure to act following delegated authority.

“Agreement” means a legal document that binds the Corporation of the Township of Alberton and all other parties, subject to the provisions of the contract.

“Acquisition” means the process used for obtaining goods and services.

“Approval” means authorization to proceed with the purchase of goods and services.

“Approval Authority” means the authority delegated by the Municipality to a person designated to occupy a position to approve on its behalf one or more procurement functions within the plan- to-pay cycle up to specified dollar limits subject to the applicable legislation, regulations and procedures in effect at such time.

“Award” means the acceptance of a Bid or Proposal in accordance with this Policy.

“Best Value” means the optimal balance of performance and cost determined in accordance with a pre-defined evaluation plan.

“Bid” means a document (in the form of a Quotation, Tender or Proposal) received by the Municipality in response to a Request.

“Bidder” means a Person who submits a Bid.

“Bid Protest” means a dispute raised against the methods employed or decisions made by a contracting authority in the administration of a proposal, tender, or quotation process.

“Bid Request” means a written request for bids or solicitation, which may be in the form of a Quote, Request for Tender, or Request for Proposal.

“Bonds” means Sureties to protect the Municipality against any financial loss as a result of non-compliance by a Vendor. This shall but may not be limited to include Performance and Maintenance Bonds and Labour and Material Bonds.

“Call” means a solicitation from the Municipality to potential Vendors to submit a Bid or a Formal or Informal Quotation.

“Change Order” means written order issued from the Municipality; that changes the scope or specifications of any project.

“Chief Administrative Officer” means the Municipality’s employee with that title or designate appointed to act in that capacity. Herein referred to as the CAO/Clerk-Treasurer.

“Municipality” means The Corporation of the Township of Alberton.

“Clerk” means the CAO/Clerk-Treasurer for the Corporation of the Township of Alberton.

“Commodity” means goods and/or services.

“Competitive” is an adjective describing a procurement process. The process is Competitive where two or more persons act independently to try to secure the Municipality’s business by offering the most favourable terms and conditions.

“Competitive Procurement” means a set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids.

“Conflict of Interest” means a situation in which private interests or financial or other personal considerations have the potential to compromise or bias an employee’s professional judgment and objectivity in acting in the best interest of the Municipality. It includes using an employee’s position, confidential information or corporate time, material, or facilities for private gain or advancement or the expectation of private gain or advancement. An apparent conflict of interest is one in which a reasonable person would think that the professional’s judgment is likely to be compromised.

“Construction” means 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, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and



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repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.

“**Consultant**” means the provider of a Commodity who, by virtue of professional expertise or service is contracted by the Municipality to undertake a specific task or assignment. Examples include: a planner completing a specific study; an architect or engineer drawing plans for a particular building or project; a lawyer representing the Municipality for a particular legal matter; an appraiser providing an opinion of value on an asset; etc.

“**Consulting Services**” means the provision of expertise or strategic advice that is presented for consideration and decision-making.

“**Contract**” means a formal legal agreement, usually in writing, between two or more Persons. It is an obligation, such as an accepted offer, between competent parties upon a legal consideration, to do or abstain from doing some act. It is essential to the creation of a contract that the parties intend that their agreement shall have legal consequences and be legally enforceable. The essential elements of a contract are an offer and an acceptance of that offer; the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent or consensus ad idem; legality of purpose; and sufficient certainty of terms.

“**Corporate Signing Authority**” means the Mayor and the CAO/Clerk-Treasurer or other individuals designated by Council or this Policy.

“**Cost Effective Bid**” means a bid received in response to a request that offers the best value for the dollars expended taking into consideration a quantitative and qualitative selection process.

“**Municipality**” means the Municipality of the Township of Alberton.

“**Department**” means an administrative unit of the Municipality.

“**Designate**” means any Municipal employee authorized in writing by the Department Head or CAO to act in his stead.

“**Developer**” means a Person developing a particular project with the Municipality.

“**Direct Acquisition**” means the direct purchase of goods or services by the user or user department to the approval levels within this Policy.

“**Direct Appointment**” means to hire a consultant based on qualifications and experience through a selection process.

“**Disposal**” means the sale, exchange, transfer, destruction or gift of goods owned by the Municipality which are no longer required for municipal purposes.

(In the case of real property, “disposal” includes a lease with a term of twentyone years or more.)

“**Emergency**”, in the context of this Policy, means a situation where the strict application of this Policy will result in danger or damage to Persons or property, or serious delays or non-delivery of services. It may involve, for example, an imminent threat to public health or safety, maintenance of essential services, or a risk of serious financial liability (on the Municipality’s part) arising from environmental conditions.

“**Evaluation Criteria**” means a benchmark, standard or yardstick against which accomplishment, conformance, performance and suitability of an individual, alternative, activity, product or plan is measured to select the best supplier through a competitive process. Criteria may be qualitative or quantitative in nature.

“**Execute**” means to legally bind the Corporation of the Township of Alberton to the terms and conditions defined within the Agreement.

“**Goods and/or Services**” means supplies, equipment, property insurance, maintenance, professional and consulting services and service contracts not otherwise provided for.

“**Informal Quotation**” means “quotations” obtained by telephone, fax, in writing, or by any other method of communication.

“**Insurance Certificate**” means a certified document issued by an insurance company licensed to operate by the Government of Canada or the Province of Ontario certifying that the bidder is insured in accordance with the Municipality’s requirements.



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“Irrevocable Letter of Credit” means an irrevocable document on a financial institution’s standard form requesting that the party to whom it is addressed pay the bearer or a person named therein money as a result of a failure to perform or to fulfil all the covenants, undertakings, terms, conditions and agreements contained in the contract.

“Irregular Result” describes any one of the following occurrences after a Competitive Procurement Process: all responsive Bids, Quotations or Proposals exceed the Budget allocation; fewer than three (3) Bids, Quotations or Proposals are received; an Award of the Contract to, or the purchase from, the lowest Responsive Bidder is considered inappropriate for any reason; the Commodity sought is available from only a single or sole source; or either or both of this Policy or any Procedure was not followed.

“Invitational Competitive Procurement” means any form of requesting a minimum of three (3) qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/Municipality.

“Lowest Responsive Bid” means the lowest price submitted which meets the requirements and specifications of as set out in the bid request, minor deviations excepted.

“Negotiation” means the action or process of conferring with one or more Vendors leading to an agreement on the acquisition of the required goods and services under the conditions outlined in this Policy.

“Non-discrimination” means fairness in treating suppliers and awarding contracts without prejudice, discrimination or preferred treatment.

“Offer” means a promise or a proposal made by one party to another, intending the same to create a legal relationship upon the acceptance of the offer by the other party.

“Open Market Procedure” means obtaining price quotations from suppliers verbally or in writing.

“Person” refers to a person recognized as a legal entity at law. This is an individual or a corporate entity. Partnerships or unincorporated associations are recognized only as groups of Persons.

“Policy” means a matter that Council has adopted by bylaw or that the local board has adopted by resolution.

“Pre-Qualification” means a process by which the Municipality ensures Vendors can meet all technical and financial responsibilities of contracts with the Municipality. External Vendors of Commodities are pre-approved and earn the right to submit Bids to the Municipality for specific Commodities. Examples of types of Pre-Qualification criteria include expertise and experience, previous performance, financial stability, personnel and a proven ability to complete projects within the Municipality’s Budget and on time.

“Procedures” means a sequence of steps or actions detailing expectations on how a Policy is to be implemented.

“Procurement” means acquisition by any means, including by purchase, rental, lease or conditional sale, of goods or services.

“Procurement Card (P-Card)” means an organizational credit card program primarily used for low-cost, non-inventory, non-capital items, such as office supplies. The card allows field employees to obtain goods and services without going through the requisition and authorization procedure. P-cards may be set up to restrict use to specific purchases with pre-defined suppliers or stores, and offer central billings.

“Proposal” means an offer to provide goods and services, where it is not practical to prepare precise specifications, or where alternatives to detailed specifications will be considered, which may be subject to further negotiation.

“Purchase” means the act of acquiring a Commodity or Service.

“Purchase Order” means a written offer to purchase goods or services from a Vendor at an agreed upon price (and other terms and conditions) where such offer has been made on forms prescribed by the Municipality.

“Quotation” means an offer, both formal and informal, from a supplier to buy or sell goods and services to the Municipality.

“Request” means a formal Request for Expressions of Interest, Information, Pre-Qualification, Proposal or Tender.

“Request for Expressions of Interest” means a general market research tool to determine Vendor interest in a proposed procurement. It is used prior to issuing a call for bids or proposals and is not intended to result in the award of a contract.



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“Request for Information” is a process by which information (such as specifications or availability) is sought from potential Vendors about a Commodity.

“Request for Tender” means a competitive procurement process for obtaining competitive bids based on precisely defined requirements for which a clear or single solution exists.

“Responsive and Responsible Vendor” means one who complies with the provisions of the bid solicitation, including specifications, contractual terms and conditions, and who can reasonably be expected to provide satisfactory performance on the proposed contract based on reputation, references, performance on previous contracts, and adequate financial and other resources.

“Segregation of Duties” means a method of process control to manage conflict of interest, the appearance of conflict of interest, and errors or fraud. It restricts the amount of power held by any one individual. It puts a barrier in place to prevent errors or fraud that may be perpetrated by one individual.

“Services” means intangible products that do not have a physical presence. No transfer of possession or ownership takes place when services are sold, and they: cannot be stored or transported; are instantly perishable; and come into existence at the time they are bought and consumed.

“Single Source” means there is more than one source in the open market but for reasons of function or service, one Vendor is recommended for consideration of the particular Commodity. This denotes a Purchase which is not Competitive.

“Sole Source” means there is only one known source of supply of a particular Commodity. This Commodity could be copyrighted or trademarked, or simply not available for general Purchase.

“Standardize” means to compare products or services with an established standard that conforms to the requirements of quality products or services that are regularly widely used, and available.

“Supply Chain Activities” means all activities whether directly or indirectly related to organizational plan, source, procure, move, and pay processes.

“Surety” means a specified dollar amount in the form of cash, certified cheque, bid bond, performance bond, labour and materials bond, letter of credit or any other form as deemed necessary and stated in any quotation, tender or proposal documents issued by the Municipality.

“Tender” means a written offer, in a specified form, received from a supplier in response to a public invitation to provide goods and services based on an approved format of the Municipality containing Terms and Conditions.

“Vendor” means a Person from whom the Municipality makes Purchases of Commodities.



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THE CORPORATION OF THE MUNICIPALITY OF ALBERTON
BY-LAW NO. 28/12

Being a by-law governing procurement policies and procedures for the Township of Alberton

WHEREAS Section 270 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended, states that a municipality shall adopt policies with respect to its procurement of goods and services, including policies with respect to:

- (a) the types of procurement processes that shall be used;
- (b) the goals to be achieved by using each type of procurement process;
- (c) the circumstances under which each type of procurement process shall be used;
- (d) the circumstances under which a tendering process is not required;
- (e) the circumstances under which in-house bids will be encouraged as part of a tendering process;
- (f) how the integrity of each procurement process will be maintained;
- (g) how the interests of the municipality, the public and persons participating in a procurement process will be protected;
- (h) how and when the procurement processes will be reviewed to evaluate their effectiveness; and
- (i) any other prescribed matter.

AND WHEREAS a *Purchasing and Procurement Policy* was adopted by Council by By-Law #31/04;

AND WHEREAS use and review of the said *Purchasing and Procurement Policy* has warranted its update in order to ensure that the goals set out therein are more effectively achieved in the best interests of the Township and its residents;

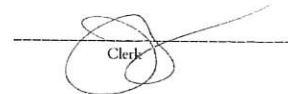
AND WHEREAS Council for the Township of Alberton deems it expedient and desirable to implement an updated *Purchasing and Procurement Policy* which sets out policies and procedures to be followed by the Township with regard to the procurement of goods and services;

NOW THEREFORE the Council of the Corporation of the Township of Alberton enacts as follows:

1. THAT the *Purchasing and Procurement Policy* attached hereto as Schedule "A" shall be and is hereby adopted.
2. THAT By-Law #31/04 be and is hereby repealed.
3. THAT this By-Law shall come into force and take effect upon the final passing thereof.

READ A FIRST, SECOND AND THIRD TIME AND PASSED THIS 14TH DAY OF MARCH, 2012.


Receiver


Clerk

Repealed

2.4.3 Notwithstanding the above, adherence to the tendering requirement is not required with respect to the items listed below, or to a transaction specifically authorized by resolution of Council to be exempt from the tendering policy:

- 2.4.3.1 Single source supply;
- 2.4.3.2 Purchase by direct negotiation resulting from single or sole source procurement;
- 2.4.3.3 Purchase by direct negotiation authorized by Council;
- 2.4.3.4 Excluded procurements as set out in Section 9 hereof; and
- 2.4.3.5 With regard to a procurement authorized by resolution of Council to be exempt from the tendering policy.

OTHER:

2.5 Purchase by Negotiation:

2.5.1 Upon authorization by resolution of Council, the Clerk-Treasurer or a Department Head may purchase by negotiation with one or more vendors and the formal bid process may be waived under one or more of the following conditions:

- 2.5.1.1 When market conditions and the goods are in short supply; or
- 2.5.1.2 When there is only one source of supply; or
- 2.5.1.3 Where there may be more than one source of supply in the open market but only one source is recommended by the Clerk-Treasurer and/or Department Head for consideration on the grounds that it provides better overall value to the Township; or
- 2.5.1.4 When only one bid is received in response to a tender call or where only one bid is received which satisfies the requirements of the tender call; or
- 2.5.1.5 Where two or more identical bids are received in response to a tender call, the Clerk-Treasurer or Department Head may negotiate with all bidders who submitted identical bids, keeping all negotiations fair and ethical; or
- 2.5.1.6 When all bids that meet the desired specifications exceed the amount budgeted and it is not viable or in the best interests of the Township to accept the lowest bid, the Clerk-Treasurer or Department Head may negotiate with the two lowest bidders submitting a bid; or
- 2.5.1.7 Council authorizes purchase by negotiation by way of resolution.

2.5.2 The undertaking of negotiations for a procurement by the Township shall in no way obligate the Township to procure goods or services from the party with whom the Township undertakes negotiations.

2.6 Sole Source Procurements:

2.6.1 Upon authorization by resolution of Council, purchase by sole source procurement, which may include purchase by negotiation, may be adopted if, in the judgment of the Clerk-Treasurer or Department Head, any of the following conditions apply:

- 2.6.1.1 Goods and/or services are in short supply due to market conditions;
- 2.6.1.2 The sources of supply are restricted to the extent that there is not effective price competition, or consideration of substitutes is precluded due to any of the following:
 - 2.6.1.2.1 Components or replacement parts for which there is no substitute;
 - 2.6.1.2.2 Compatibility with an existing product, facility or service is required;
 - 2.6.1.2.3 Specific standards are adopted by Council;
- 2.6.1.3 Documented evidence is provided which confirms that the extension of an existing contract or contractual arrangement would prove most beneficial to and in the best interests of the Township;
- 2.6.1.4 Where the value of work is less than \$10,000.00 and such work is required at a location where a contractor has already been secured through a formal or informal process, with established unit prices, and it is deemed to be in the best interests of the Township to extend the unit prices for the work to be performed for the Township;
- 2.6.1.5 Where the value of work is less than \$10,000.00, and where a contractor able to do the work is already in the vicinity and it is deemed to be in the best interests of the Township to engage that contractor's services to perform the work for the Township;
- 2.6.1.6 When only one quotation or bid is received through the procurement process and it is impractical to recall the requirements of the request for quotations or call for tenders.

3. UNSOLICITED PROPOSALS:

3.1 Unsolicited proposals received by the Township shall be reviewed by the Clerk-Treasurer or relevant Department Head. Any procurement activity or contract resulting from an unsolicited proposal shall be

repealed

- 8.1.2 the procurement, storage and distribution of all materials, equipment, supplies and services on behalf of the Township. Where the Clerk-Treasurer deems it expedient, he or she may delegate performance of any of these functions to the appropriate Department Head;
- 8.1.3 the issuance of all requests for quotations and calls to tender.
- 8.2 Department Heads shall be responsible for:
- 8.2.1 the operation of an effective inventory control system for his or her department, with the objective of keeping inventory at a minimum but at an adequate level to support and supply the departments.
- 8.2.2 all vendor contacts and maintaining good business relations; and
- 8.2.3 supplying the Clerk-Treasurer with specifications for procurements which clearly define required quality and/or function and which include such details, information, drawings, maps or other material as may be required to be attached to the bid documents or as may be needed for his or her guidance and information in the preparation and calling of quotations or tenders, or in the placing of orders. Specifications are to be generic or "as equivalent". All factors influencing the purchasing decision are to be included in the specifications.
- 8.3 For the purposes of this policy, any reference herein to "Department Head" shall include the Chair of a committee of the Township.
- 8.4 Department Heads and committees of the Township shall provide to the Clerk-Treasurer by March 1st in each year the estimates of their requirements for the subject fiscal year for budgetary purposes in order to ensure adequate supplies of goods and services.
- 8.5 The Clerk-Treasurer shall, with the cooperation of Department Heads, promote and co-ordinate standardization of goods wherever possible, and shall advise on and approve the practicality of specifications.
- 8.6 No contract or purchase shall be divided to circumvent the requirement(s) of this policy.
- 8.7 In all procurements:
- 8.7.1 Consideration shall be given the best overall value for the Township, which shall be based on the best combination of quality, demonstrated ability to perform the work and best financial advantage to the Township, as determined by the Township in its sole and unfettered discretion, which may be based in whole or in part on past experience, rather than only lowest price.
- 8.7.2 Where acceptance of other than the lower quotation or tender received would result in a higher quality of service, or a more reasonable end cost to and better value for the Township, a report on the proposed purchase and the quotations or tenders received shall be submitted to Council for consideration, approval and, if deemed expedient, contract award.
- 8.7.3 Provided that all specifications and quality or performance requirements are met and assured, total cost shall be the prime criteria used to determine best value for the Township.
- 8.8 The Township may participate with other units of government, their agencies, boards or committees, or public authorities in cooperative purchase ventures when the best interests of Alberton Township will be served. Where such participation is at variance with the Township's purchasing policy, Council shall first authorize participation.
- 8.9 Performance evaluations may be undertaken on suppliers and providers of services, and may be taken into account with regard to future acquisitions.
- 8.10 All invoices and accounts from vendors shall be authorized by the Clerk-Treasurer, following approval of same by the applicable Department Head, prior to payment.
- 8.11 Between the last regular meeting of Council in any year and the adoption of estimates for the next year, the Clerk-Treasurer is authorized to pay all accounts for any ordinary business transactions of the Township which are required to maintain services prior to the adoption of estimates in addition to all accounts for approved expenditures, capital items and projects.
- 8.12 After the adoption of estimates, the Clerk-Treasurer is authorized to pay accounts in accordance with the estimates upon receipt of evidence of value received and approval of the appropriate Department Head.
- 8.13 Unless authorized by resolution of Council, goods or services which have not been provided for in the budget shall not be ordered.
- 9 Exclusions:
- 9.1 The procurement methods described in this by-law do not apply to procurement of the following goods and services:
- 9.1.1 Training and education expenses, including travel expenses (meals, accommodations, transportation costs), conference or convention registration fees, course or seminar or workshop tuition or registration fees, membership fees and subscriptions;
- 9.1.2 The following general expenses: payroll deductions reimbursements, grants to agencies, damage claims, petty cash replenishment, tax reimbursements, insurance premiums, ongoing maintenance for existing computer hardware and software;
- 9.1.3 Professional and special services (excluding all contracted services except cleaning), including committee fees, legal fees, and other professional services related to litigation or legal matters, witness

Repealed

TENDER PROCEDURE

The following applies to all tenders issued by the Township but does not preclude the addition of further terms or conditions to any particular tender:

PRIOR TO TENDER DUE DATE:

1. Sealed tenders shall be obtained by the Clerk-Treasurer:
 - 1.1 By posting notice of the tender on the Township's website; and
 - 1.2 By either:
 - 1.2.1 placing a minimum of two consecutive weekly advertisements in a newspaper having general local circulation, subject to the following:
 - 1.2.1.1 Such advertisements may be placed in out-of-town newspapers if it is deemed beneficial by the Clerk-Treasurer to do so in order to attract a greater number of bids;
 - 1.2.1.2 Where time is of the essence, a minimum of one advertisement may be placed in a newspaper having general local circulation. Such advertisement may be supplemented by local radio announcements and/or publication in additional publications as may, in the discretion of the Clerk-Treasurer, be deemed expedient.
 - or
 - 1.2.2 By forwarding an invitation to submit a tender, along with all pertinent tender information, to all known suppliers, vendors of record, pre-qualified vendors, or such suppliers as Council may specify by resolution.
2. Tender documentation shall be prepared by the Clerk-Treasurer, in conjunction with the relevant Department Head where applicable. It is the responsibility of the Department Head to ensure that proper tender documents, plans and specifications are prepared and available to prospective tenders on the day that notice of the tender is first published or on the day that the invitation is issued, as may be the case.
3. Where tender forms are supplied that include a provision for signature by the Township and the tenderer, the form is to provide firstly for the signature of the tenderer, then secondly by the Township.
4. All tenders calls shall be identified by a numbering identifier assigned by the Clerk-Treasurer.
5. Unless otherwise authorized by Council, tenders shall close at 3:00 p.m. on a Wednesday that is not a holiday and shall be publicly opened by the Clerk-Treasurer and:
 - 5.1 the applicable Department Head or designate; and/or
 - 5.2 at least one member of Councilin Council Chambers of the Municipal Office forthwith after the specified closing time and date. Tender contents will be made public as a condition of the tendering process.
6. Where two or more identical bids are received which meet specifications, the Clerk-Treasurer may negotiate with the bidders who submitted the identical bids in order to achieve the Township's purchasing goals. The use of purchase by negotiation in this manner in no way obligates the Township to obtain goods or services from any of the bidders with whom negotiations are undertaken.
7. Where all bids received in response to a tender call that meet specifications exceed the amount budgeted for the procurement, the Clerk-Treasurer is authorized to negotiate with all bidders whose bids exceed the budgeted amount by 15% or less in order to achieve, or attempt to achieve, the Township's purchasing goals. The use of purchase by negotiation in this manner shall in no way obligate the Township to obtain goods or services from any bidder(s) with whom negotiations are undertaken, and Council may instruct that a contract not be awarded for the procurement regardless of the results of such negotiations.
8. If tenders are being sought with regard to capital projects, where:
 - 8.1 the Township has the capability to perform the work itself or through its existing contracts; and
 - 8.2 no acceptable tenders have been received; and
 - 8.3 work schedules and capabilities permit; and
 - 8.4 it is cost-effective to have the work performed internally or through its existing contracts,Council may direct, by resolution, that a contract not be awarded with regard to the call for tenders and that the project be completed internally or under existing contracts.
9. The following phrases shall be included in all tender documents:
 - Lowest or any tender not necessarily accepted. The Township reserves the right to reject any or all bids, to waive irregularities and/or informalities therein, and to award the contract in the best interests to the Township based on the best combination of price, demonstrated ability to perform the work and best financial advantage to the Township, as determined by the Township in its sole and unfettered discretion.

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15. Unit price(s) provided in a tender will govern, and the Clerk-Treasurer is permitted to correct errors only in mathematical extensions and/or tax calculations in a tender based thereon.
16. The Township reserves the right to accept or reject any or all tender submissions, including the lowest bid, in its absolute discretion. Where all bids have been rejected and/or disqualified, the Township reserves the right to reissue any bid document either in its original format or modified as best suits the requirements of the Township.

TENDER PRE-AWARD PROCEDURE:

17. Subsequent to tender opening, a written summary of tenders received and a recommendation, signed by those persons cited in Section 5 who publicly opened the tenders, shall be submitted for Council consideration and shall include the following:
 - 17.1 Names of all bidders and values;
 - 17.2 Comments as to any disqualification or bid irregularities - the absence of any comments from the report shall be deemed by Council as confirmation that those signing the summary found the tender(s) for which no comments are provided to be valid and in order, and those signing the summary assume full responsibility and may be held accountable in this regard;
 - 17.3 A recommendation as to whom the contract should be awarded, provided that if the recommendation is to award a contract to other than the lowest tender, the grounds and rationale for the recommendation must be clearly stated.

TENDER APPROVAL PROCEDURE:

18. After opening of bids, consideration by Council of the summary described in Section 17 above, and discussion by Council:
 - 18.1 Council shall make a decision whether or not to award a contract and such decision of Council shall be made in the form of a resolution or by-law, as appropriate. Where a contract is to be awarded, the resolution and/or by-law shall include authorization for the execution of any agreements or other necessary documents by the appropriate signing officers of the Township.
 - 18.2 The Clerk-Treasurer shall arrange for the completion of the procurement documentation, including the completion and execution by the successful bidder of any contract and receipt of all required bidder documentation, including insurance endorsements, etc.
 - 18.3 After all documentation is finalized, the Clerk-Treasurer or Department Head shall proceed to complete the procurement.

TENDER AWARD PROTESTS - DISPUTE RESOLUTION:

19. Protests or disputes raised by any bidder with regard to any tender shall be resolved as follows:
 - 19.1 All disputes shall be resolved between the bidder and authorized municipal staff only. Involvement of members of Council in bid dispute resolution is prohibited.
 - 19.2 The bidder shall deliver to the Clerk-Treasurer written notice of the dispute or protest, which notice shall list all issues in dispute.
 - 19.3 No new or additional issues may be added to the list of issues by the bidder after the said list is received by the Clerk-Treasurer.
 - 19.4 The Clerk-Treasurer and the applicable Department Head shall review each issue in dispute and shall respond to same in writing. When deemed expedient by the said municipal officers, they may meet with the bidder raising the dispute with a view to resolving same.
 - 19.5 The Clerk-Treasurer shall provide a report to Council regarding every dispute filed which identifies:
 - 19.5.1 the nature of the dispute;
 - 19.5.2 attempts made to resolve the dispute;
 - 19.5.3 how the dispute was resolved;
 - 19.5.4 whether Council approval of the resolution is required.

Where required, Council approval of a proposed resolution of issues, or directions provided by Council with regard to a dispute, shall be provided Council by way of formal resolution.

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