

**THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY**

**BY-LAW NO. 06-2014**

**BEING** a by-law to adopt a Procurement Policy for the Township of North Glengarry.

**WHEREAS** the Municipal Act 2006, S. 23.1 provides the powers of a municipal corporation are to be exercised by its council;

**AND WHEREAS** the Municipal Act 2006, S. 23.1 provides that the powers of every council are to be exercised by by-law;

**AND WHEREAS** the Municipal Act 2006, S 23.1 states that a municipality can delegate certain responsibilities with respect to its procurement of goods and services.

**NOW THEREFORE** Council of the Township of North Glengarry enacts as follows:

- 1) That the Township of North Glengarry Procurement Policy, attached hereto as Schedule "A" and forming part of this by-law, is hereby adopted.
- 2) That By-law No. 26-2013 be and is hereby repealed.
- 3) That this by-law shall come into effect on the date of passing thereof.

**READ** a first, second, third time and enacted in Open Council this 13<sup>th</sup> day January, 2014.

\_\_\_\_\_  
**Clerk / Deputy Clerk**

\_\_\_\_\_  
**Mayor**

I hereby certify this to be a true copy of By-law No. 06-2014, and that such by-law is in full force and effect.

\_\_\_\_\_  
**Date Certified**

\_\_\_\_\_  
**Clerk / Deputy Clerk**

## PROCUREMENT POLICY

This policy and procedure will confirm authorizations and approval limits for purchasing goods and services.

### PURCHASING AUTHORITY AND APPROVAL LIMITS

1. Only those persons delegated authority are authorized to commit the Township for materials, equipment, supplies and services as authorized by the annual budget.
2. The Chief Administrative Officer (CAO) and Department Heads are given authority to purchase materials, equipment, supplies and services in accordance with the following criteria:
  - (a) Purchases of a value up to \$1,000 may be made by Department Heads or their delegated representative.
  - (b) Department Heads may approve purchases of a value up to \$10,000 providing the purchases meet the following conditions:
    - (i) The accepted supplier is the lowest tender or quote meeting requirements and specifications or achieves the highest overall RFP evaluation score; and
    - (ii) The purchase amount is the same or lower than the budgeted amount as confirmed in writing by the Treasurer.
  - (c) The **CAO** shall approve all purchases over \$10,000 and not exceeding \$25,000 providing the purchases meet the conditions referred to in 2 (b) (I) and (ii).
  - (d) The Council shall approve all purchases over \$25,000 or any purchase that falls within the following categories:
    - (i) The recommended supplier is not the lowest bid meeting requirements and specifications; or,
    - (ii) The lowest bid meeting requirements and specifications is higher than the budgeted amount.

## PURCHASING PROTOCOL - Quotations, Tenders, RFP's and Change Orders

1. Where goods and services to be purchased are identified in a current budget approved by the Council; the general practice to be followed shall be:
  - (a) Expenditures up to \$1,000:
    - (i) Attempt to obtain at least two (2) verbal competitive quotations.
  - (b) Expenditures over \$1,000 but not exceeding \$10,000:
    - (i) Attempt to obtain at least two (2) written offers from suppliers; and
    - (ii) Issue a purchase confirmation letter to the successful supplier and, if applicable, require the supplier to enter into a written agreement with the Township.
  - (c) Expenditures over \$10,000 but not exceeding \$25,000:
    - (i) Obtain competitive bid submissions via a public sealed tender or RFP process and;
    - (ii) Formulate a formal written contract award recommendation for review and approval by the CAO.
  - (d) Expenditures over \$25,000:
    - (i) Obtain competitive bid submissions via a public sealed tender or RFP process; and
    - (ii) Formulate a formal contract award recommendation for review and approval by the CAO who will forward the contract award recommendation to the Council for consideration and approval.
2. A written agreement between a supplier and the Township is required in the following circumstances:
  - (a) if requested by the supplier;
  - (b) the contract exceeds a value of \$25,000;

- (c) the RFP or subsequent successful proposal do not contain sufficient elements, such as specifications, conditions, warranties or indemnities, to constitute a satisfactory contract for either party;
  - (d) if there is an existing contract between the Township and the supplier which requires changes to recognize a specific expenditure.
3. Notwithstanding section 1(c) and 1(d) of the Purchasing Protocol, the requirement for competitive bid submissions via a public sealed tender or RFP process for goods and services may be waived by Council in circumstances it deems to be in the best interests of the Township, or, without limitation, to those items listed below:
- a. Purchases for services that have been awarded to a firm on an on-going basis when clearly identified in the budget.
  - b. Purchase of replacement parts where the original equipment manufacturer is the sole provider of the equipment.
  - c. Sole source supply.

## GENERAL TENDERING GUIDELINES

### *Policy Statement on Accessible Procurement:*

***When procuring goods, services and facilities, the Township of North Glengarry will incorporate accessibility design criteria and features. Where applicable, procurement documents will specify the desired accessibility criteria to be met and provide guidelines for the evaluation of proposals in respect of those criteria. Where it is impractical for the Township to incorporate accessibility criteria and features when procuring or acquiring specific goods, services or facilities, the Department Head or CAO will provide a written explanation, upon request.***

1. Department Heads shall prepare tender documentation which shall include the following disclosure statement:

The Township reserves the right to accept or reject any or all tenders and to waive irregularities at its discretion. The Township reserves the right to accept a tender other than the lowest price without stating the reasons. By the act of submitting a tender the consultant waives any right to contest, in any legal proceeding or action, the right of the Township to award the work to whomever it chooses, and for whatever reasons the Township deem appropriate. Without limiting the generality of the foregoing, the Township may consider any factor besides price and capability to perform the work that it deems, in its sole discretion, to be relevant to its decision, including, but not limited to the following:

1. Any past experience with the bidder or lack thereof;
  2. The results of any reference check done by the Township;
  3. Information relating to the financial state of the bidder, however obtained and;
  4. Any other factors that the Township deems pertinent in the selection process.
2. Procedures for receiving and opening tenders shall conform to the following:
- (a) Tenders enclosed in sealed envelopes will be received at the tender address until tender closing time;
  - (b) Receipt of tenders will be recorded as to the date and time and filed in the vault until the tender opening time;
  - (c) Two Department Heads (or the CAO/Clerk and 1 Department Head) shall open tenders at precisely the designated time on the closing day;
  - (d) Each tender envelope shall be opened and checked to ensure all bidding requirements have been satisfied. Any financial securities shall be stored in the vault for safekeeping.
  - (e) Each tender shall be read to members of the interested members of the public who choose to attend the tender opening session.

## **GENERAL RFP GUIDELINES**

1. Department Heads shall prepare RFP documentation.
2. The typical criteria template to be used in the evaluation of proposals are outlined in attached Schedule "A". The criteria may be amended slightly based on the goods or services being sought.

## **TENDERS/RFP's THAT EXCEED THE BUDGET**

1. Where a tender or RFP exceeds the current budget provision the applicable Department Head or CAO will refer the matter to Council for consideration.

## **EMERGENCY PURCHASES**

1. Department Heads and the CAO are authorized to proceed with a single source purchase process during a declared state of emergency.

## FINANCIAL SECURITY REQUIREMENTS

1. The minimum financial security requirements will be as follows:

<b>Contract Type</b>	<b>Bid Bond or Cash Equivalent</b>	<b>Performance Bond</b>	<b>Labour &amp; Material Payment Bond</b>
Construction, maintenance, or service contracts under \$50,000	10%	Nil	Nil
Construction contracts over \$50,000 and under \$100,000	10%	50% Surety Bond, Cash, or Letter of Credit	Nil
Construction contracts over \$100,000	10%	50% Surety Bond	50%
Maintenance or service contracts over \$50,000	10%	At the discretion of the Department Head / CAO	At the discretion of the Department Head / CAO

## CONFIDENTIALITY

1. Access to information shall be subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*.

### Proponent Evaluation

#### Qualifications of Firm and Project Team Members

Are the firm and project team members specialized and qualified in the nature of the project work?

#### Experience of Firm and Project Team Members

Has the firm completed similar projects during the last three years? Do the assigned project team members have experience with similar projects?

#### Past Performance

Is the firm's record of past performance sound? Do reference checks reveal weaknesses? Does the firm consistently complete assignments on time and within budget?

#### Resources

Does the firm have ample resources (e.g. staff, equipment, etc.) to apply to this project?

### Proposal Evaluation

#### Scope

Do the objectives, scope, work plan, and prediction of results comply with the terms of reference and project objectives?

#### Methodology

Is the methodology clear and in sufficient detail to cover all necessary aspects? Does the proposal reflect the required understanding of the project? Is each task clearly outlined and in logical sequence?

#### Scheduling

Does the proposal indicate that the achievement of objectives will be met according to an acceptable schedule? Are they within the time lines set by the terms of reference (if outlined in the terms of reference)? Are problems or delays accounted for? Is timing realistic for the project?

#### Project Team

Is the level of effort (total hours) adequate, low or high? Are the hours of professionals involved adequate, low or high? Is the proportion of professional vs. technical hours adequate or appropriate?

#### *Accessibility*

***Where applicable, does the proposal meet the requirements or guidelines for accessibility built into the RFP or tender in order to ensure the Township of North Glengarry meets its legal requirements under the Accessibility for Ontarians with Disabilities Act (AODA) and regulations.***

#### Clarity of Proposal

Is the proposal clear, concise, and logical?

#### Price Evaluation

##### Total Price

Upon completion of Step 2, the Evaluation Team shall determine, by consensus, the score for each proposal and shall recommend the successful proponent.