

THE CORPORATION OF THE TOWNSHIP OF ST. CLAIR

BYLAW 59 OF 2024

**Being a by-law of the Corporation of the Township of St. Clair
to provide for procurement procedures.**

WHEREAS the Council of the Corporation of the Township of St. Clair has deemed it desirable to update our by-law to provide for fair, transparent and accountable purchasing and tendering procedures and thereby to protect the Municipality, Council, vendors and staff involved in the process by providing clear direction and accountabilities.

AND WHEREAS The Municipal Act 2001, Section 270, as amended provides that a municipality and a local board shall adopt and maintain policies with respect to its procurement of goods and services;

- (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 or local board, as the case may be, 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.

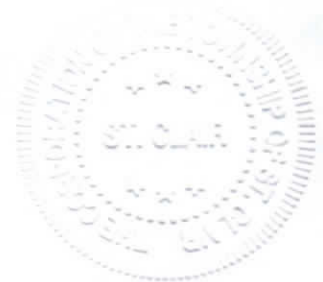
NOW THEREFORE the Council of the Corporation of the Township of St. Clair enacts as follows:

1. Bylaws 57 of 2017, 24 of 2016, 63 of 2005 and 14 of 2013 are hereby repealed and replaced by this Bylaw 59 of 2024.
2. This Bylaw includes all 36 attached pages and Schedules A, B, C, D, E and F and comes into effect on the final day of its passing.

READ a first, second and third time this 16th day of December, 2024.


MAYOR – JEFF AGAR


CLERK – JEFF BARANEK



TOWNSHIP OF ST. CLAIR

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SECTION I - DEFINITIONS

In this Policy,

1. **Acquisition**
means the process used for obtaining goods and services
2. **Agreement**
means a legal document that binds the Corporation of the Township of St. Clair and all other parties, subject to the provisions of the contract
3. **Annual Aggregate Value**
means the total amount anticipated to be spent annually by all departments on a particular type of good or service
4. **Approval**
means authorization to proceed with the purchase or disposal of goods and/or services
5. **Award Notification under CETA**
Under CETA award notices to be published within 72 calendar days of award
6. **Bid**
means an offer or submission received in response to a request for quotation, tender or proposal which is subject to acceptance or rejection
7. **Bid Bond**
means a bond given to guarantee entry into a Contract. This bond is given to indemnify the Township against increased costs if the Bidder does not carry out the specified undertaking to enter into a Contract. A bond given by a Bidder to guarantee entry into a Contract if the Contract is awarded to that Bidder
8. **Bid Dispute Process**
An independent and impartial process to allow vendor to challenge procurement under CETA and CFTA if vendor believes it was not conducted in accordance with trade agreement rules. A resolution to be achieved within 90 days.
9. **Bid Irregularity**
means a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response (see Appendix B & C)
10. **Bid Label**
under the new electronic procurement, we will use a bid label that the vendor can place on the envelope when submitting their tender and replaces the Two envelope system
11. **Bid Request**
means a written request for bids or a solicitation, which may be in the form of a Request for Quotation, Request for Tender or Request for Proposal

12. **Bid Posting**
No minimum posting time required, however under CETA must posted for a minimum of 40 calendar days, however, can be reduce if posted and received electronically
13. **Bid&tenders**
Offers a cloud Enterprise e-procurement solution for bids, tenders and request for proposal and meets the trade agreement guidelines
14. **Canada –European Union Comprehensive Economic and Trade Agreement (CETA)**
is a proposed free trade agreement between Canada and the European Union.
15. **Canada Free Trade Agreement (CFTA)**
Canadian trade agreement that replaced the Agreement on Internal Trade.
16. **Chief Administrative Officer (CAO)**
means the Chief Administrative Officer for the Corporation of the Township of St. Clair or authorized designate
17. **Clerk**
means the Director of Administration/Clerk/Deputy CAO for the Corporation of the Township of St. Clair
18. **Contract**
means a legally binding agreement between two or more parties. Such agreements will consist in the form of a formal agreement between two or more parties that creates an obligation to provide defined goods and/or perform defined services
19. **Conflict of Interest**
refers to a situation in which private interests or personal considerations may affect an employee's and members of Council judgment in acting in the best interest of the Township of St. Clair. Please refer to Section XIV for detail explanation.
20. **Corporate Signing Officer**
means the Mayor and Clerk or other individuals designated by Council or this policy
21. **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 selections procedure
22. **Council**
means the Council for the Corporation of the Township of St. Clair
23. **Consulting and Professional Services**
Includes architects, engineers, designers, surveyors, planners, accountants, auditors, lawyers, management, software and financial consultants, brokers, real estate appraisal, soil consultants, and any professional services rendered on behalf of the Township. These professionals should possess current member status/accreditation in their appropriate professional body.

24. **Co-operative or Joint Ventures**
means coordination of Township purchases with Chatham-Kent Lambton Administrators Group (CKLAG) or other public bodies
25. **Corporate Credit Card**
Means a corporate credit card to be used for acquiring corporately needed goods or services with established guidelines.
26. **Debriefings to be offered upon request of vendor under CETA & CFTA**
Information to be shared includes name of successful vendor, value of the successful bid, reason the proposal was not selected
27. **Director**
means the person responsible for direction and operational control of a Department, or authorized designate
28. **Designate**
means the authorized designate or such official as may be appointed to act on behalf of the authorized authority and may be appointed by the Directors.
29. **Direct Appointment**
means to directly appoint a consultant on the basis of defined selection criteria, including but not limited to qualifications and experience
30. **Disposal**
means the removal of materials owned by the Township by sale, trade-in, auction, alternative use, gift, or destruction which are deemed surplus
31. **Emergency**
means a situation where the purchase of goods and services requires immediate action to prevent or correct dangerous or potentially dangerous safety conditions, further damage, to restore minimum service or ensure the safety of the public
32. **Electronic Bidding (Facsimile, Email or Internet)**
means a method of issuing Solicitations and/or receiving written Bids where the process of issuing and/or receiving Bids by facsimile, email or internet is considered appropriate
33. **Execute**
means to legally bind the Corporation of the Township of St. Clair to the terms and conditions defined within the Agreement
34. **Expression of Interest**
means a situation where vendors are solicited by the Township to advise the Township of their ability or desire to provide certain goods or services
35. **Goods and/or Services**
includes supplies, equipment, property insurance, maintenance, professional and consulting services and service contracts not otherwise provided for

36. **Letter of Credit**
means a document issued by a bank authorizing the bearer to draw a specified amount from that bank or its agent; a letter or similar statement extending credit up to a given amount at a Canadian Chartered bank for a person who has paid or guaranteed that amount to the issuing bank, may be considered in lieu of a performance or labour and material bond
37. **Labour and Material Bond**
means a bond given to guarantee payment, as required to all persons supplying labour or material for the completion of work under the Contract. The Labour and Material Bond shall be from an Ontario based Surety
38. **Litigation**
means any formal dispute between the Township and any other party, including third party and cross claims, where a legal proceeding has been commenced for an injunction, a mandatory order, a declaration, or the recovery of money, or an arbitration proceeding.
39. **Proof of Liability Insurance**
means certified documents issued by an insurance company licensed to operate certifying that the bidder is insured in accordance with the Township insurance requirement under this policy at his /her cost.
40. **List of Bidders**
means a list, retained by the respective department for those vendors who are interested in submitting bids
41. **Lowest Responsive Bid**
means the lowest bid price submitted which meets the requirements and specifications as set out in the bid request, minor deviations excepted
42. **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
43. **Non-Resident Contractors**
Non-resident (Ontario) contractors who are successful in any tender will be required to provide a RST clearance certificate
44. **Open Market Procedure**
means obtaining price quotations from vendors verbally or in writing
45. **Performance Bond**
means a Bond given to guarantee the performance or completion of a contract in accordance with its terms and conditions
46. **Privilege Clause**
means the standard clause used in bid documents and advertising that reads in part “the lowest or any tender not necessarily accepted”
47. **Procure/Procurement/Purchase**
means to acquire by purchase, rental or lease of goods and/service

48. **Proposal (Request for Proposal /RFP)**
means an offer to provide goods or services to the Township, 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. This process allows vendors to propose solutions to arrive at the end product, and allows for evaluation on criteria other than price.
49. **Treasurer/Director of Finance**
means the Treasurer/Director of Finance, working within the Treasury Department, who is responsible for the Township's purchasing function and is hereby authorized to act as agent in all such matters pertaining thereto. The Deputy Treasurer or designate will be responsible for the purchasing function in the Treasurer's absence.
50. **Quotation (Request for Quotation/RFQ)**
means an offer to sell goods and services to the Township or an offer to purchase surplus goods from the Township
51. **Real Property**
means land or buildings and any interest, estate or right of easement affecting same, please refer to By-Law 58 of 2003 for established procedures for the sale of real property owned by the Township
52. **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, or references, or performance on previous contracts, and adequate financial and other resources
53. **Senior Management Team**
is comprised of the Chief Administrative Officer (CAO) and Directors
54. **Single Source**
means there is more than one source in the open market but only for reasons of function or service one vendor is recommended for consideration of the goods and/or services
55. **Sole Source**
Is a non-competitive procurement process accomplished as a result of soliciting and negotiating the procurement of goods or services from one supplier. There is only one available supplier for the source of supplies or services.
56. **Suspension Period**
means a period of two years, during which a Supplier's Bid will not be considered in accordance with the Township Contractor Performance Procedure
57. **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 Township

58. **Tender**
means an offer received from a supplier of goods and/or services in response to an advertisement requesting tenders sealed in an envelope
59. **Township**
means the Corporation of the Township of St. Clair, local boards and Committee of Council
60. **Two-Envelope Procurement Process**
is used when the purchaser wants to evaluate the technical, qualitative or surety information of a given procurement without being influenced by prior knowledge of the corresponding pricing information which cease with the new by-law
61. **Verbal Quotation**
means the requisitioning department will receive pricing via telephone, fax, e-mail, internet or in person, and will document the time, date and person spoken too and will retain written documentation of the conversation and any other printed information on the requisition

SECTION II
PROCUREMENT PRINCIPLES and GOALS

The purchasing principles of the Corporation of the Township of St. Clair are as follows:

1. to procure by purchase, rental or lease the required quality and quantity of goods and/or services, including professional and consulting services in an efficient, timely and cost effective manner;
2. to encourage open competitive bidding for the acquisition and disposal of goods and services where practicable;
3. Unless otherwise approved by Council to purchase goods and services only as approved in the annual budget;
4. to consider all costs over the life of the asset, including, but not limited to, acquisition, operating, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs, in evaluating bid submissions from qualified, responsive and responsible vendors
5. to give full consideration to the annual aggregate value or to consider the total project cost of specific goods and services that will be required by each department and by the Township as a whole prior to determining the appropriate acquisition method;
6. to monitor and report on the economic climate and legislative changes which may have an impact on the Township of St. Clair and to determine the appropriate actions to be taken through purchasing policies and procedures;
7. To participate with other public funded bodies in co-operative purchasing activities where they are in the best interest of the Township.
8. To delegate the appropriate level of authority to enable Township departments to meet service requirements. To ensure those employees who are responsible for requisitioning and purchasing goods and services are accountable for their actions and decisions.
9. this policy will be reviewed annually to evaluate its effectiveness

**SECTION III
GENERAL CONDITIONS**

1. In the absence of the CAO or Deputy-CAO, the Treasurer shall act as the authorized designate.
2. Where a Director is authorized to undertake any act pursuant to this Policy, such act may be undertaken by the Director's authorized designate.
3. Any commitments being made where it is recommended that a contract be executed by the Mayor and the Clerk must first be approved by Council.
4. No expenditure or commitment shall be incurred for goods and services, except as approved by Council or as otherwise authorized in accordance with this policy.
5. The Director of the requisitioning department may remove a vendor's name from the list of bidders for a period of up to two years on the basis of documented poor performance, non-performance, or conflict of interest. A written notice of the decision will be provided to the vendor and copied to the CAO, Treasurer and Council. The vendor may appeal the decision by following Section XX Vendor Complaint Resolution.
6. When using the privilege clause which reads in part "the lowest or any tender may not necessarily accepted", the specific reasons must be stated why the bids may not be accepted.
7. The respective Director shall review and assist in developing evaluation criteria and submission analysis for all procurement needs.
8. No employee or elected official shall purchase or offer to purchase, on behalf of the Township, any goods and services, except in accordance with this Policy.
9. Any employee who intentionally and knowingly acquires or disposes of any goods and services for the Township in contravention of any section of this Policy, as amended from time to time, shall be subject to disciplinary actions in accordance with Township Policy.
10. No requirement for goods and services may be divided into two or more parts to avoid the provisions of this policy.
11. A Director or designate shall not award a contract where it has been determined that the provisions of this policy have not been adhered to.
12. The CAO shall, in conjunction with the Director, reject all purchase requisitions for services where the services could result in the establishment of an employee-employer relationship.

13. The following activities are prohibited, unless approved by Council.
 - (a) Purchase by the Township of any goods or services for personal use by or on behalf of any members of Council, appointed officers, employees of the Township or their immediate families (except for computer loans in accordance with our policy).
 - (b) The acceptance of gifts, benefits, money, discounts, favors or other assistance by elected officials, officers and employees and their families in excess of One Hundred dollars. The image and integrity of the employee and the Township must be preserved at all times.
 - (c) Purchase by the Township from any member of Council, appointed officers, employees of the Township or their immediate families or from any other source that would result in the conflict of interest, unless such interest has been declared pursuant to the Municipal Conflict of Interest Act.
14. An employee who fails to act in accordance with the provision of the Procurement Policies and Procedures will be subject to appropriate disciplinary actions. Township Council, the public, and the business community must have confidence in the integrity of the Township employees.
15. The use of corporate credit cards is to establish a more efficient and cost-effective method of procuring and paying for small value goods and services up to the monthly limit assigned to each card by the Treasurer. Everyone who has a card will be required to sign a Credit Card policy with terms and conditions.
16. That Schedules "A" to "F" (attached hereto) may be amended by the Treasurer provided such amendments have been approved by the Council and the amended Schedule(s) has been circulated to affected staff.

**SECTION IV
REQUIREMENT FOR APPROVED FUNDS**

1. Departmental expenditures are authorized by Council each year as part of either the Operating or Capital Budget process. Pending Council's approval of proposed budgetary estimates, Directors are authorized to spend up to 50% of the previous year's approved Operating Budget. Directors are not authorized to overrun total departmental operating budgets, except in accordance with this Policy.
2. The exercise of authority to award a contract is subject to the identification and availability of sufficient funds in appropriate accounts within the Council approved Operating budget.
3. Where goods and services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to:
 - (a) the identification and availability of sufficient funds in appropriate accounts for the current year within Council approved estimates, and
 - (b) the requirement for the goods or services will continue to exist in subsequent years and required funding can reasonably be expected to be made available.

The CAO may reject all purchase requests for which sufficient funds are not available and identified. If the Director advises the CAO that the deficiency is minimal and alternative funding has been identified, the purchase request may proceed provided appropriate authorizations are met in accordance with this policy.

The Director will discuss with the Treasurer, all leasing requirements including term capitalization rate, lease vs. buy (or other) analysis, etc. The Treasurer will ensure that all lease commitments comply with the Municipal Act 2001 as amended and regulations made there under.

4. Where this policy prescribes financial limits on contract that may be awarded under the authority of a Director, or provides for financial limits on contracts required to be reported to Council, for the purpose of determining whether a contract falls within these prescribed limits, the contract amount shall be the sum of:
 - (a) all costs to be paid to the supplier under the contract, excluding all taxes
 - (b) less any rebates

**SECTION V
SPECIFICATIONS**

1. The department whose budget provides for the procurement of goods and services shall be responsible for the preparation and approval of all specifications and/or Terms of Reference (Scope of Work) to be used for the procurement of such goods and services.
2. Where practical, specifications or Terms of Reference should be considered that are detailed but not brand specific to leave room for potential vendors to provide alternatives in the event an equal or better-proven product or method is available.
3. Vendors or potential vendors should not be requested to expend time, money or effort on design or in developing specifications or otherwise help define a requirement beyond the normal level of service expected from vendors.

When such services are required:

- (a) the CAO shall be advised
- (b) the contracted vendor will be considered as a consultant and unable to make an offer for the supply of the goods and services
- (c) a fee shall be paid
- (d) the detailed specification shall become the property of the Township of St. Clair for use in obtaining competitive bids

**SECTION VI
STANDARDIZATION**

It will be the policy of the Township of St. Clair, wherever possible, to standardize the procurement of goods and services to allow for:

1. reduced number of goods and services required
2. increased volume on common items or services
3. maximizing volume buying opportunities
4. providing economies of scale
5. reduced handling, training and storage costs
6. minimizing maintenance costs
7. co-operative purchasing activities
8. competitive bid results
9. reduced overall cost

**SECTION VII
RESPONSIBILITIES AND AUTHORITIES**

1. The Director has responsibility for procurement activities within their departments and is accountable for determining and achieving specific objectives as outlined for each procurement project.
2. Directors have the authority to recommend contracts in the circumstances specified in this policy provided that the delegated power is exercised within the limits prescribed in this policy, and the requirements of this policy are met.
3. The CAO is responsible for:
 - (a) providing procurement advice and services to Directors,
 - (b) monitoring compliance with this policy.
4. Directors, in consultation with CAO, shall inform the Council that non-compliance with this policy has occurred.
5. The CAO has the authority to instruct the Director not to award a contract and may direct staff to submit recommendations to Council for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interests of the Township.
6. The Director is required to forward to the Clerk, a copy of all legally executed contracts relating to the procurement of goods and services to be attached to the Township authorizing by-law.

SECTION VIII

METHODS OF PROCUREMENT

Notwithstanding any other provisions of this Policy, the acquisition of the items listed in Schedule "A" do not fall under the guidelines of the Purchasing Policy and shall be subject to applicable Policies and Procedures established from time to time.

All purchases of goods and services are to be evaluated based on the total projected expenditures. Pricing must be obtained in accordance with the following dollar thresholds:

1. PROCUREMENT OF GOODS AND/OR SERVICES

(a.1) \$0 to \$15,000

Direct purchase by Coordinator or Director with budget responsibility using the most cost effective method. No report to Council is necessary.

(a.2) \$15,001 to \$30,000

The initiating Department staff with budget responsibilities shall obtain 3 quotations, where possible and practical. The Coordinator or Director can approve this purchase. No report to Council is necessary. Opening in public is not required.

(b.1) \$30,001 to \$99,999 for Equipment & Vehicles

(b.2) \$30,001 to \$99,999 for Services & Construction

The initiating Department staff with budget responsibility shall obtain three (3) written quotations, where possible with due diligence (using a Request for Quotation, invitational Request for Quotation, tender, and electronic group tendering services including bids&tenders). The Director can approve and sign the contract for this project, however tender results should be included in the staff monthly report to Council is required for information. Opening in public is not required.

(c.1) Over \$100,00 for Equipment & Vehicles

(c.2) Over \$100,000 for Services & Construction

The initiating Director shall issue a Request for Quotation or Tender. A minimum of three quotations (where possible) are to be received before the Township commits to a Vendor. Advertise in local paper\trade papers, electronic such as bids&tenders or group tendering service or by written invitation basis. A report to the Council is required from the department issuing the request for Council consideration and approval. Upon the Council's approval, a contract must be executed by the Mayor and Clerk.

The CAO or Director can be authorized to execute all the necessary documents and agreements by Council resolution.

Opening in public is required if hard copy.

If only one quotation is received, the Township may exercise its right to cancel the call for quotations.

Should there be more than **10% variance** from the original budget, a report explaining the variance and the impact on the department's budget will be prepared for Council.

Please refer to Schedule "D" Tender Process for a detailed explanation of the procedures.

The Director is responsible for maintaining current insurance certificates and WSIB certificates, Contractor's Health and Safety policy as called for in the bid documents and as explained in this document.

2. REQUESTS FOR PROPOSALS (INCLUDING THE ENGAGEMENT OF PROFESSIONAL AND CONSULTING SERVICES)

This method of acquisition can be used for any dollar value and involves the solicitation of proposals when the requirements for goods and/or services cannot be specified, the requirements of the Township are best described in a general performance specification, and innovative solutions are sought. Depending on its' terms, the process may involve negotiations after the submission of proposals on any or all the specifications, contract terms, and prices.

Where the required goods or service cannot be specified, and it is estimated that the value of the goods and services (excluding all taxes) cost:

(a) \$30,000 or less

a written quotation or electronic group tendering must be acquired by the initiating Department. The Director can approve and sign the contract for this project, however the request for proposal results should be included in the staff monthly report to Council is required for information. Opening in public is not required.

(b) Over \$30,001 to \$99,999

A written quotation shall be acquired through the Request for Proposal (RFP) process, electronic tendering services and evaluated based on quantitative and qualitative criteria. The Director can approve. **An information report to the Council is required.**

(c) Over \$100,000

The initiating Department staff will use electronic or group tendering procurement for tenders and request for proposals.

A report to the Council is required from the department issuing the RFP for Council consideration and approval. Upon the Council's approval, a contract must be executed by the Mayor and Clerk.

3. EXPRESSION OF INTEREST and/or REQUEST FOR PRE-QUALIFICATION

(a) 50,000 or less

Used where bidders offer their interest in submitting a bid on a product or service, advertised publicly and/or use of electronic group tendering services and information is requested to determine reference checks, past performance, and financial liability. A reply to the Request for Expression of Interest and/or Pre-Qualification is required by a designated date and time to the initiating department, signed by an Officer authorized to legally bind the Corporation. Submissions are reviewed and subsequently a Request for Quotation or Tender is prepared for a short list to invited pre-qualified bidders. Report to Council is required.

(b) Over \$50,000

The initiating Department staff will use bids&tenders or group electronic procurement services for Expression of Interest and/or Request for Pre-Qualification. The reporting to Council is required.

Submissions are reviewed and subsequently a Request for Quotation or Tender is prepared for a short list to invited pre-qualified bidders.

A report to the Council is required.

4. THE CANADA-EUROPEAN UNION COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT (CETA)

Part of the Government of Canada's trade and export strategy was the completion of CETA. A final agreement comes into effect September 21, 2017, and any applicable legislation.

5. THE CANADIAN FREE TRADE AGREEMENT (CFTA)

The federal government, provinces and territories have reached an agreement to strengthen and modernize the Agreement on Internal Trade (AIT). The new CFTA, which will enter into force on July 1, 2017, and applicable legislation will be incorporated. CFTA will reduce and eliminate barriers to the free movement of persons, goods, services and investment in Canada.

METHODS OF PROCUREMENT – SUMMARY TEMPLATE-Updated Nov. 2024

The following are authorized procedures for the procurement of goods, services, and construction, not available from pre-existing agreements. Procurements have all received budget approval.

METHOD OF PROCUREMENT	TYPE OF QUOTATION	SOURCE OF BIDS	TYPE OF CONTRACT	REPORTING STATUS
1. REQUEST FOR TENDERS FOR GOODS AND SERVICES-Section VIII Item 1 on page 16 to 17				
a. \$0 - \$30,000	Three informal quotations where possible and practical Not opened in public	Purchases made from the competitive marketplace where possible and practical	Direct acquisition approved by Coordinator or Director	No report to Council required
b.1 Equipment & Vehicles \$30,001 – \$99,999 b.2 Services & Construction \$30,001 - \$99,999	Written quotation acquired by REQUEST FOR TENDER Not opened in public	Advertised in local paper and/or trade or by written invitation basis, purchasing group or bids&tenders	Director can approve and sign the contract.	Report to Council award history for information
c.1 Equipment & Vehicles \$100,000 – over c.2 Services & Construction \$100,000 – over	Request for Tenders, bids&tenders or purchasing group Open in Public if Applicable	Request for tenders, bids&tenders or purchasing group	Executed Contract by the Mayor and Clerk or CAO and Director can be authorized to sign by Council resolution	Report to Council required for resolution
2. REQUESTS FOR PROPOSALS- Section VIII Item 2 on page 17 (INCLUDING THE ENGAGEMENT OF PROFESSIONAL AND CONSULTING SERVICES)				
a. under \$30,000	Written quotation/proposal Not opened in public	Purchases made from the competitive marketplace	Direct acquisition by Coordinator or Director	No report to Council required
b. over \$30,001 to \$99,999	Written quotations, purchasing group through REQUEST FOR PROPOSAL Open in public	Advertised in local and/or trade paper or use of electronic purchasing group	Approved by CAO Executed Contract by the Mayor and Clerk	Report to Council Required for resolution
c. \$100,000 - Over	Written quotations, purchasing group through REQUEST FOR PROPOSAL Open in public	Advertised in local and/or trade paper or use of electronic purchasing group	Executed Contract by the Mayor and Clerk	Report to Council Required for resolution
3. EXPRESSION OF INTEREST and/or REQUEST FOR PRE-QUALIFICATION- Section VIII Item 3 page 18				
a. under to \$50,000	Request for information only, followed by INVITATION TO BID or PREQUALIFIED TENDER	Advertised in local and/or trade paper or use of bids&tenders or purchasing group	No contract. Followed by further request	Report to Council required for resolution
b. \$50,001 – Over				

CFTA AND CETA THRESHOLDS – January 1, 2024 to December 31, 2025

Procurement Type	CETA	CFTA
Goods	\$340,615	\$133,800
Services	\$340,615	\$133,800
Construction	\$8,800,000	\$334,400

6. EXCEPTIONS TO METHODS OF ACQUISITION

a) SINGLE SOURCE PROCUREMENT

Purchase by negotiation may be adopted with approval of Director up to \$30,000 and with approval Council over \$30,000 in consultation with the requisitioning Director when any of the following conditions apply:

- (i) goods and services are in short supply due to market conditions
- (ii) 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:
 - a. components or replacement parts for which there is no substitute
 - b. compatibility with an existing product, facility or service is required
 - c. specific standards are adopted by Council
- (iii) there is documented evidence that the extension or reinstatement of an existing contract would prove most cost effective or beneficial (to a maximum of 10% of the original contract)
- (iv) work is required at a location where a contractor has already been secured through a tender process, with established unit prices by another party and it is considered to be beneficial and cost effective to extend the unit prices for the additional work to be completed for the Township
- (v) after the RFP process has closed, it may be necessary for discussion to clarify and/or make significant revision(s) to the initially defined requirements of the call for quotations/proposals
- (vi) when two or more identical bids have been received, the Director may negotiate with the two lowest bidders, keeping all negotiation fair and ethical
- (vii) when only one bid/proposal is received through the procurement process and it is impractical to recall the requirements of the call for quotations/proposals
- (viii) Where all bids received fail to meet the specifications or conditions as specified in the document, the following options shall be considered
 - a) Where time permits, the project shall be re-issued and new bids accepted based on revised specifications or conditions
 - b) Where time does not permit re-issuing, and specifications or conditions are being altered, all bidders who secured the bid document shall be given the opportunity to re-bid. The process may utilize a "post addendum" process. The Director of the issuing department and CAO jointly may waive

the need for a revised bid solicitation subject to Council Approval and enter into negotiations with the lowest bidder meeting all required specification, terms and conditions where they agree that the changes required to achieve an acceptable bid will not change the general nature of the requirement described in the bid solicitation.

- (vii) if the proposed project value is over \$30,000 to a maximum of \$100,000 to single source an annual information report to Council detailing the following is required. Description of project, who is being single source, explanation and estimated value of project. Over \$100,000 Council resolution report is required.

b) EMERGENCY PROCUREMENT

Notwithstanding the provisions of this policy, the following shall only apply in case of an emergency, when an event occurs that is determined by a Director or the CAO to be:

- (i) a threat to public health
- (ii) the maintenance of essential Township services
- (iii) the welfare of persons or of public property or

the security of the Township's interests and the occurrence requires the immediate delivery of goods or services and time does not permit for competitive bids

The above criteria are to be applied on the basis of:

- (iv) **Procurement under \$50,000:**
Wherever feasible, the Director, shall secure by the most open market procedure at the lowest obtainable price, any goods and services required.
- (v) **Procurement Over \$50,000:**
The Director shall obtain the prior approval of the CAO.

An information report on emergency procurement shall be submitted to Council explaining the actions taken and the reason(s) therefore.

c) CO-OPERATIVE OR JOINT VENTURES

The Township may participate with other Government agencies or public authorities in co-operative procurement/acquisition ventures or utilize a 'piggyback clause' within public sector contracts, whenever it is determined to be in the best interest of the Township to do so. The Treasurer will be responsible for investigating all prospective groups purchasing (for example, CKLAG). An updated listing of cooperative procurement groups is listed on our website.

d) SPECIAL CIRCUMSTANCES PURCHASES

Purchases that are required to respond to Special Circumstances shall be authorized by the Director and CAO. For purchases over \$50,000 the Council shall be notified at the next Council meeting. All such purchases are exempt from methods of purchasing.

SECTION IX
Opening of Bids under Hard Copy Bidding

Whenever sealed bids have been called for, the following procedures should be followed in opening the bids:

1. Always try to open the bids as soon as possible after the stated closing time for receipt of submissions. Never open any bid before the closing date/time.
2. The public shall normally be invited to view the opening. Exceptions to this rule would include bids that involve information of a sensitive or confidential nature, as directed by the C.A.O. If in doubt, an individual should seek guidance from their Director, the Treasurer or the C.A.O.
3. A minimum of two Township representatives must be present before an opening can occur. The CAO, Treasurer and Director or respective Designate.
4. Should a member of the public be present during an opening, the following information only should be stated:

The Name on the bid opened;
The total amount of the bid;
The inclusion of any accompanying document required. e.g. Bid Bond.
5. Questions posed by the public related to specifics of any bid received should be deferred, pending the thorough checking of the bids. Under no circumstances should additional components of any bid be discussed in this forum.
6. Township representatives must avoid making any comments or exclamations regarding any of the bids or the vendors involved.
7. A list of the Vendors and the amounts bid should be immediately prepared and be available should inquiries be made by the public after the opening.
8. The Treasurer will be responsible for safe storage of certified cheques and the respective department responsible for the storage bids including any and bid bonds in a secure holding place.

**SECTION X
BID ANALYSIS**

Analyzing of bid responses shall be as follows;

1. Tenders shall be tabulated and analyzed by the initiating department staff, and a recommendation sent to Council for approval if required.
2. Bid responses dealing with the lease, rental or purchase of physical assets shall be tabulated and analyzed by the initiating department staff and submitted to the Treasurer for review prior to submission to Council.
3. A bid may be refused at the Township unfettered discretion when, to the best of the Township honest knowledge or belief, the bidder is known or reasonably suspected to be the subject of any criminal or regulatory investigation or proceeding, in breach of any municipal by-law, or in breach of any statute.
4. A bid may be refused at the Township unfettered discretion when the Township determines or has reason to believe that the bidder cannot perform the work or provide the goods at the price quoted or in the time promised. The Township may rely on the expertise of municipal staff and/or qualified third parties in making this determination.
5. A bid may be refused if the bidder is involved in any litigation against the Municipality

**SECTION XI
REPORTING & DOCUMENT RETENTION**

GOODS AND SERVICES and PROFESSIONAL AND CONSULTING SERVICES

1. Where the;
 - (a) value of the goods and services is more than \$25,000 but less than **\$99,999**, and
 - (b) procedures defined by this policy have been followed, and
 - (c) acquisition is within the approved departmental net budget amount, and
 - (d) the lowest responsive bid has being recommended.

Report to Council has information is required unless this is for Professional and Consulting Services. For Professional and Consulting Services under \$30,000 report to Council is required for information, for all others no report to Council is required. The initiating department shall execute the necessary document and arrange for a contract to be signed.

2. Council approval is required where the:
 - (a) value of the goods and services is over **\$100,000**, or
 - (b) purchasing policy is being waived, or
 - (c) acquisition exceeds the approved capital budget amount by more than **10%**, or
 - (d) lowest responsive vendor submission is not being recommended, or
 - (e) there was no provision in the budget for the item, or
 - (f) for Professional and Consulting Services, or

- (g) the CAO requests that a report be presented for Council consideration and approval with financing Options

Based on the above criteria, the contract will be executed by the Mayor and Clerk in accordance to the reporting guidelines in this policy.

- 3. All contracts will be held by the Clerks' Department.

DOCUMENTATION RETENTION

All procurement documentation should be retained according to our Municipal Retention By-Law.

SECTION XII

WORKPLACE SAFETY AND INSURANCE

It is the obligation of any successful bidder to comply with all requirements of the Workplace Safety and Insurance Act. Bidders must certify that all employees, officers, agents and subcontractors are covered under the Act. A WSIB certificate shall be supplied at the time of contract signing and updated every 60 days in compliance with the Act. Failure to supply or update this certificate as required is the cause for termination of the contract.

Most businesses in Ontario that employ workers (including family members and subcontractors) must register with WSIB within 10 days of hiring their first full- or part-time worker. If you are a sole proprietor, partner, or executive officer you are not automatically covered under the WSIB insurance plan. They can however, apply for optional insurance under the WSIB.

SECTION XIII

NON-RESIDENT CONTRACTOR

Non-resident contractor for the Province of Ontario is required to provide RST clearance certificate before awarding of tender or RFP.

SECTION XIV

Insurance Requirements

Liability insurance is becoming an ever-increasing burden. While the Township carries its own liability insurance, it is extremely important that any company who performs work for the Township:

- a) Carries a valid liability Insurance policy in the appropriate minimum amount with the exception of janitorial services.
- b) Names the Township of St. Clair as an additional insured party for all work related to the scope of the contract;
- c) Provides a valid certificate of insurance clearly indicating the level of coverage provided and the addition of the Township as an additional insured party, prior to the signing of any contract.

Amount of Insurance

Service Contracts

Any Company who provides a service to the Township of any nature is required to provide proof of liability insurance of no less than \$2,000,000 (two million dollars)

Construction contracts

Any Company who is contracted to perform a construction project for the Township is required to provide proof of liability insurance of no less than \$5,000,000 (five million dollars)

Deductible Amounts

Should there be a deductible the contractor will be responsible for payment of the deductible.

Individuals Contracted to Provide Services

An individual contracted to provide a service or complete a construction project exposes the Township to the same liability risks as a Company. The individual must comply with all the aforementioned liability insurance requirements, with the same applicable minimums.

Non-Compliance

In a case where the proposed supplier cannot provide the required insurance, or if it is determined during the work that the supplier's insurance has lapsed or been terminated, then the supplier must immediately stop work on the project. Work must not re-commence until a new valid certificate of insurance has been received. In the event that the supplier is unwilling, or unable to supply proof of valid insurance, then the Township must move to disqualify the bidder. If the process is in the analysis stage, or in the event that a contract has been signed but a supplier's insurance is terminated, then the Township must move to cancel the contract and issue the work or remainder thereof to another party. The CAO and Council should be consulted prior to any action to terminate a Contract.

**SECTION XV
BID POSTING**

For procurements values at or above CTFA or CETA monetary thresholds are required to post for not less than 30 (CFPA) or 40 (CETA) calendar days which can be reduced by five days if published and accepts the bid electronically.

**SECTION XVI
DEBRIEFING**

Debriefings to be offered upon request of vendor. Information to be shared includes: name of successful vendor, value of the successful bid, reason the proposal was not selected.

**SECTION XVII
AWARD NOTIFICATION**

Under CETA & CFPA award notices to be published within 72 calendar days of award.

**SECTION XVIII
DISPOSAL OF SURPLUS GOODS**

The Director or Coordinator shall notify the Treasurer once any item has been deemed as surplus capital assets for sale or disposal as approved in the capital budget. The Director or Coordinator shall circulate a list of surplus assets available to all departments prior to the sale or disposition of such items.

1. Surplus capital assets not required by any other department shall be sold or disposed of by the most economic means that generate the highest value. The disposition shall be documented with the issuing of a cash receipt. Revenue generated from the sale of surplus assets shall be credited to the appropriate capital revenue account as approved in the budget.

**SECTION XVIV
CONFLICT OF INTEREST**

Employees of the Township shall not have a pecuniary interest, either directly or indirectly, in any contract with the Township or with any person acting for the Township in any contract for the supply of goods and/or services for which the Township pays or is liable, directly or indirectly to pay unless such interest has been declared.

Employees of the Township are required to declare any pecuniary interest, either direct or indirect, in writing to the CAO with a copy to the Treasurer and respective Director indicating the specific nature of the conflict. Any conflict of interest that cannot be isolated and resolved will be reported to the appropriate Committee of Council.

SECTION XX

**PRODEDURES FOR VENDOR COMPLAINT for TENDERS, BIDS&TENDERS
or GROUP PURCHASING GROUPS – BID DISPUTE**

Occasionally, a vendor will protest the award of a bid solicitation for reasons such as:

- a. process irregularities in the bid document.
- b. deviation from evaluation criteria.
- c. specifications were unclear, ambiguous or restrictive.
- d. submission was not fully understood and therefore not adequately considered.

In such cases, the vendor shall request a meeting with the CAO and Director responsible for the solicitation. This request should be in writing and should provide a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents, and identify the form of relief requested.

1. If, after the meeting, the vendor is satisfied that their concerns were addressed and that the process was fair and equitable, no further action shall be required. Documentation will be maintained for future reference.
2. If, after the meeting the CAO and Director are convinced that there was an error or oversight on the part of procurement process, a report shall be issued to the CAO for approval.
3. If, after the meeting, no resolutions satisfactory to both parties has been achieved and the CAO is confident that the process was fair and equitable, the vendor may, at their opinion, make a formal written request to appear before Council or Committee of the Whole.

4. Any vendor can challenge procurement if the vendor believes it was not conducted in accordance with the trade rules. The vendor challenging the procurement award has five business days from Council meeting date to object. Resolutions to be achieved within 90 days of objection. Council has final decision authority on complaint resolution.

SECTION XXI

REVIEW OF PROCUREMENT POLICIES AND PROCEDURES

The CAO and Treasurer will be providing an annual report if required recommending any changes to the Procurement Policies and Procedures to ensure that the documents meet the needs and requirements of the Township to operate in an efficient and cost effective manner.

SECTION XXII

CONTRACTOR INTEGRITY

The Township may reject Bids and/or terminate existing Contracts for reasons including but not limited to circumstances where a Contractor:

- a) has been suspected or convicted of; corruption, collusion, bid-rigging any other anti-competitive activity or any other offence under the Criminal Code;
- b) the Township is likely to incur legal costs in the administration of the Contract if it is awarded to the Bidder.
- c) has failed to satisfy an outstanding debt to the Township or one of its local boards or corporations; or
- d) There are reasonable grounds to believe it would not be in the Best Interests of the Township to enter a contract with the Bidder.

SECTION XXIII

LITIGATION/PROBATION/SUSPENSION

The Council shall reject a Bid from any Bidder or any other party (including any related or affiliated entities and any principal thereof) who is in unresolved litigation with the Township or who is currently serving a Suspension Period. Furthermore, the Township shall retain the right to reject Bids which may have been received and/or awarded by the Township, notwithstanding efforts by the Township to screen the acceptance of Bids from parties engaged in unresolved litigation with the Township or serving a Suspension period, once the Township becomes aware of such unresolved litigation or Suspension period.

Notwithstanding the foregoing, where it is the Township's best interest, the Township may award a Contract to a Bidder who is:

- i. In unresolved litigation with the Township or
- ii. Currently serving a Suspension Period, or is on Probation, in accordance with the Township's Contractor Procedures.

In the following circumstances:

- i) Where there is only one Bidder/Contractor and Council has approved the award;
- ii) In the case of an Emergency Purchase as outlined in this by-law.
- iii) Where there is a legal obligation on the part of the Township to enter into the contract; or
- iv) Where the proposed Contract is pursuant to an inter-municipal or cooperative agreement and where another public agency has approved the award.

Schedule "A"

GOODS AND SERVICES "EXEMPT" from PROCUREMENT POLICIES

- 1. Petty Cash Items under \$1,000.00**
- 2. Training and Education**
 - a) Conferences, courses and conventions
 - b) Memberships
 - c) Seminars
 - d) Periodicals, Magazines and Subscriptions
 - e) Staff training
 - f) Staff development
 - g) Staff workshops
- 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) Licences (vehicles, elevators, radios, etc.)
 - c) Debenture payments
 - d) Grants to agencies
 - e) Payments of damages
 - f) Tax remittances
 - g) Charges to/from other Government or Crown Corporations
 - h) Employee income
 - i) Recruitment services
 - j) Public employment contracts
 - k) Employee medical or other investigation services
- 5. Professional and Special Services**
 - a) Committee fees
 - b) Witness fees
 - c) Court reporters' fees
 - d) Honoraria
 - e) Arbitrators & Mediators and investigators
 - f) Legal settlements
 - g) Insurance premium, Claim settlement and adjuster service
 - h) Banking services covered by group procurement
 - i) Professional services, engineering, appraisals, etc
 - j) Tax sales and registration fees
 - k) Hiring of contract services up to \$30,000
 - l) Ongoing licenses-hardware and software & maintenance contracts
 - m) Property tax or water\sanitary refunds
 - n) Workplace safety and insurance board (WSIB)
 - o) Real estate transactions or rental of land

- p) Recreational program/facility refunds
- q) Land Survey and appraisal charges
- r) Special events – performers, catering, resources & supplies
- s) Services and inspection of the Technical and Safety Standards Association (TSSA)
- t) Other regulated authorities operating within across municipal right of ways (CN, Bell, Cogeco etc.)

6. Utilities

- a) Postage
- b) Water and sewer charges
- c) Hydro, telephone and internet
- d) Cable television charges
- e) Water, Natural Gas and hot water tank rental

7. Advertising

- a) Classified advertising (e.g. help wanted, sales, etc.)
- b) Public tender advertising
- c) Tax sales advertising

8. Other Professional and Special Services up to \$30,000 may be purchased at the discretion of the Director. A report is required for Council information. For professional services over \$30,000 requires approval of the CAO. For example, services such as legal, realty, etc. A report to Council with a resolution is required.

9. Any purchase of goods and or services specifically authorized by resolution of Council to be exempt from this policy.

Schedule "B"

BID IRREGULARITIES

BID IRREGULARITY

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

For the purposes of this policy, bid irregularities are further classified as "major irregularities" or "minor irregularities".

A "**major irregularity**" is a deviation from the bid request that affects the price, quality, quantity or delivery, and is material to the award. If the deviation is permitted, the bidder could gain an unfair advantage over competitors. The Treasurer and the issuing Director must reject any bid, which contains a major irregularity.

A "**minor irregularity**" is a deviation from the bid request, which affects form, rather than substance. The effect on the price, quality, quantity or delivery is not material to the award. If the deviation is permitted or corrected, the bidder would not gain an unfair advantage over competitors. The Treasurer may permit the bidder to correct a minor irregularity.

MATHEMATICAL ERRORS - RECTIFIED BY STAFF

The Director will correct errors in mathematical extensions and/or taxes, and the unit prices will govern. The responsibility for correcting mathematical errors may be delegated to the requisitioning department.

ACTION TAKEN:

The Treasurer and Director will be responsible for all action taken in dealing with bid irregularities and acts in accordance with the nature of the irregularity:

- ✓ major irregularity (automatic rejection)
- ✓ minor irregularity (bidder may rectify)
- ✓ mathematical error (additions or extensions) as above

In the event that the vendor withdraws his bid due to the identification of a major irregularity, the Township may disqualify such vendor from participating in Township quotations/tenders/requests for proposals for a period of up to one year.

SCHDELE "B" BID IRREGULARITIES FOR HARD COPY BIDDING

ITEM	DESCRIPTION	MAJOR	MINOR	ACTION
1.	late bids (by any amount of time)	X		automatic rejection
2.	bids completed in pencil	X		automatic rejection
3.	bid surety not submitted with the bid when the bid request (or any addenda) indicated that such surety is required	X		automatic rejection
4.	EXECUTION OF AGREEMENT TO BOND: a. Bond company corporate seal or equivalent proof of authority to bind company or signature missing b. surety company not licensed to do business in Ontario	X		automatic rejection
5.	EXECUTION OF BID BONDS: a. corporate seal or equivalent proof of authority to bind company or signature of the BIDDER or both missing b. corporate seal or equivalent proof of authority to bind company or signature of BONDING COMPANY missing	X		automatic rejection
6.	OTHER BID SECURITY: Cheque which has not been certified	X		automatic rejection
7.	bidders not attending mandatory site meeting	X		automatic rejection
8.	unsealed tender envelopes	X		automatic rejection
9.	proper response envelope or label not used		X	acceptable if officially received on time
10.	pricing or signature pages missing	X		automatic rejection
11.	insufficient financial security (ie: no deposit or bid bond or insufficient deposit)	X or	X	where security is required & amount is not specified in request, automatic rejection unless insufficiency is <u>de minimis</u> (trivial or insignificant) -where security is required and amount of security is specified in request, automatic rejection
12.	bid received on documents other than those provided in request	X		not acceptable unless specified otherwise in the request
13.	EXECUTION OF BID DOCUMENT Proof of authority to bind is missing	X		automatic rejection

14.	part bids (all items not bid)	X or	X	acceptable unless complete bid has been specified in the request
15.	bids containing minor clerical errors		X	5 working days to correct initial errors. Township reserves the right to waive initialling and accept bid
16.	uninitialed changes to the request documents which are minor (ie; the bidder's address is amended by overwriting but not initialled)		X	5 working days to correct initial errors. Township reserves the right to waive initialling and accept bid
17.	alternate items bid in whole or in part		X	available for further consideration unless specified otherwise in request
18.	unit prices in the schedule of prices have been changed but not initialled		X	5 working days to correct initial errors. Township reserves the right to waive initialling and accept bid
19.	other mathematical errors which are not consistent with the unit prices		X	5 working days to initial corrections. Unit prices will govern.
20.	pages requiring completion of information by vendor are missing	X		automatic rejection
21.	bid documents which suggest that the bidder has made a major mistake in calculations or bid	X		consultation with a Solicitor on a case-by-case basis and referenced within the staff report if applicable

NOTE: The above list of irregularities should not be considered all-inclusive. The CAO and Treasurer, in consultation with the requisitioning department will review minor irregularities not listed. The CAO may then accept the bid, or request that the bidder rectify the deviation.

All Bid Irregularities (except late Bids that were automatically rejected) shall be forwarded to the CAO and Treasurer for review, consideration, and determination in accordance with this by-law.

Where, at the request of the Township, a Bidder has been given five (5) Working Days to correct an irregularity, should the Bidder fail to make the correction within that time period, then the Bidder shall be deemed to be in default and;

- the Bid shall be rejected, and the Bidder's Bid Deposit (where applicable) shall be forfeited, retained and applied for use by the Owner and
- At the discretion of Council, the Bidder may be suspended for a period of two years.

SCHEDULE "C" BID IRREGULARITIES FOR ELECTRONIC BIDDING

ITEM	DESCRIPTION	ACTION
1.	Late Bid	Automatic rejection. Electronic Bidding system shall not accept late Bid submissions.
2.	Bid submitted in other than the original Bid Form format.	Automatic rejection
3.	Bid Form not signed	Automatic rejection. The Electronic Bidding system shall not accept bids unless the Bidder has checked a box confirming authority to submit a bid on behalf of the Bidder.
4.	All Addendum(s) not acknowledged (if issued).	Automatic rejection.
5.	Bid received by a Bidder who is in unresolved litigation with the Township.	Automatic rejection unless, at the Township's sole discretion, it is subject to the exceptions stated in the Township's Procurement by-law, Section 23 Litigation/Suspension/Probation.
6.	Bid received by a Bidder serving a Suspension Period, in accordance with the Contractor Performance Procedure of this by-law.	Automatic rejection unless, at the Township's sole discretion, it is subject to the exceptions stated in the Township's Procurement by-law Section 23 Litigation/Suspension/Probation,
7.	Bid received by a Bidder who has served the Suspension Period and the Bidder cannot provide, in the Township's sole opinion, satisfactory evidence of improvement in area(s) of concern as documented.	Automatic rejection unless, at the Township's sole discretion, it is subject to the exceptions stated in the Township's Procurement by-law Section 23 Litigation/Suspension/Probation.
8.	Failure to provide Bid Deposit and/or undertaking to provide a Bond or Letter of Credit	Automatic rejection.

SCHEDULE "C" BID IRREGULARITIES FOR ELECTRONIC BIDDING cont'd

9.	Insufficient Bid Deposit	Automatic Rejection, unless in the opinion of CAO insufficiency in the Bid Deposit is trivial or insignificant. Upon request by the Owner, five (5) Working Days shall be given to the Bidder to remedy.
10.	The Township is unable to verify Digital Bond(s).	Upon request by the Township, the Bidder shall be given five (5) Working Days to either; remedy the verification to the Treasurer satisfaction or to submit the original Bid Deposit and/or Undertaking to provide a Bond or Letter of Credit form to the Township or the Bid shall be rejected.
11.	Bidder did not attend the mandatory site meeting.	Automatic rejection
12.	Other Bid Irregularities.	Referred to the CAO and Treasurer for review, consideration, and determination. Upon Request of the Township, the Bidder may be given five (5) Working Days to correct such Bid Irregularity

All Bid Irregularities (except late Bids that were automatically rejected) shall be forwarded to the CAO and Treasurer for review, consideration, and determination in accordance with this by-law.

Where, at the request of the Township, a Bidder has been given five (5) Working Days to correct an irregularity, should the Bidder fail to make the correction within that time period, then the Bidder shall be deemed to be in default and;

- the Bid shall be rejected, and the Bidder's Bid Deposit (where applicable) shall be forfeited, retained and applied for use by the Owner and
- At the discretion of Council, the Bidder may be suspended for a period of two years.

Schedule "D"

TENDER PROCESS FOR HARD COPY BIDDING

Tenders will be called for all work, equipment, and materials with a value exceeding \$30,000 by way of public advertising or invitational bid, electronic purchasing such as bids&tenders or group tendering as outlined in the Township's Purchasing Policy.

The Director will review all draft advertisement and tender documents and will provide the following information:

- ✓ dollar value of surety
- ✓ Council authority
- ✓ description of work
- ✓ closing date

The Director will advertise and distribute tenders.

- ✓ all public tenders are advertised in a local, regional, and/or construction newspapers
- ✓ In some instances, the contract may be advertised to pre-qualify potential bidders. Pre-qualification of bidders includes the screening of potential vendors in which such factors as financial capability, reputation; qualified staff and equipment management and product quality are considered. After evaluation of responses, only those contractors who are "pre-qualified" are allowed to submit tenders

Advertisements must include the following information (if applicable): site meeting time/date/location, contact names for technical and purchasing inquiries, document fee (if applicable), and location for pick up and drop off of bid documents.

The Director or Designate will notify the Treasurer of the Tender Closing date.

The closing date is usually Tuesday at 16:00 which normally should be at least 15 calendar days after the date of issue. However, a tender may be closed in a shorter or longer period of time depending on the urgency or complexity of the item(s) being tendered.

Under CETA must post for a minimum of 40 calendar days, however, can be reduce by five days if posted electronically.

Advertised tender packages are available from the Issuing Department, Civic Centre. The tender fee (if applicable) is paid to Township of St. Clair and information is recorded from bidders as documents are picked up. A copy is available for viewing prior to purchase.

All tender submissions must be addressed to the Treasury Department, Township of St. Clair, and returned in the envelope provided with the tender package. The Treasury Department will receive all sealed tender submissions and record a date, time and signature of receiver.

TENDER PROCESS (continued)

Treasury Department will refuse to accept any tender submission that is

- ✓ not sealed
- ✓ received after the Tuesday 16:00:00 closing deadline
- ✓ submitted after a tender has been cancelled.

Requests for withdrawal of a tender shall be allowed if the request is made before the closing time for the contract to which it applies. Requests must be directed to the Treasury Department by letter or in person, by a Senior Official of the company, with a signed withdrawal confirming the details. Telephone requests will not be considered. The withdrawal of a tender does not disqualify a bidder from submitting another tender on the same contract.

Tenders close at 16:00:00 on Tuesday and are opened publicly at 16:01 or shortly after (unless otherwise specified in the tender documents).

Any requested bid deposits, security or bonds must be included with the submission in a separate envelope. If only one tender is received, the Township has the option of not opening the bid and closing the call for tender.

Bid Label under the new electronic procurement will be used by the vendor which can place on the envelope when submitting their tender. This replaces the Two envelope system.

Each tender is reviewed to determine whether a bid irregularity for hard copy billing exists, and action is taken according to the nature of the irregularity (see Schedule "B").

If only one tender is received, the CAO, in consultation with the Director, has the option of not opening the bid and closing tender.

Tenders are tabulated and evaluated by the user department.

A report initiated by the issuing Director shall be prepared for Council consideration and approval for over \$100,000. For below \$100,000 a report for information will be submitted by the Director or Coordinator.

Council's approval is required over \$100,000, the Director must ensure that a contract which legally binds the corporation is executed by the Mayor and Clerk.

Tender results, if requested, shall be made public by the Treasurer or Director.

Schedule "E"

REQUEST FOR PROPOSAL PROCESS FOR HARD COPY BIDDING

REQUESTS FOR PROPOSALS (RFP's) may be called instead of tenders, by way of public advertising or invitational bid, **electronic purchasing such as bids&tenders or group tendering** as outlined in the Township's Purchasing Policy:

- ✓ when requirements or services cannot be definitively specified, or
- ✓ when the requirements or services are nonstandard or specialized in nature, or
- ✓ the cost is only a minor component making up the award.

The following information must be provided:

- ✓ approximate dollar value of surety
- ✓ budget authority
- ✓ description of work
- ✓ closing date

The User Department will initiate the RFP process by preparing documents, with input and assistance from the CAO.

Prior to printing, documents must be submitted to the Director for review to ensure that all provisions other than specifications have been included in the proper format.

The Director or designate will advertise and distribute RFP packages.

All public RFP's are advertised in local, regional, and/or construction newspapers. Advertisements must include the following information (if applicable): site meeting time/date/location, contacts names for technical and purchasing inquiries, document fee (if applicable), and location for pick up and drop off of bid documents.

The closing date is usually Tuesday at 16:00:00 which normally should be at least 15 calendar days after date of issue. However, a tender may be closed in a shorter or longer period of time depending on the urgency or complexity of the item(s) being tendered.

RFP's must be addressed to the Treasurer, Treasury Department, Township of St. Clair. Treasury will receive all sealed submissions and issue a date and time-stamped receipt, if requested.

REQUEST FOR PROPOSAL PROCESS FOR HARD COPY BIDDING (cont'D)

The Township of St. Clair will refuse to accept any submission that is

- ✓ not sealed
- ✓ received after the 16:00:00 on Tuesday the closing deadline
- ✓ submitted after an RFP has been cancelled.

Requests for withdrawal of an RFP shall be allowed if the request is made before the closing time for the contract to which it applies. Requests must be directed to Treasury Department by letter or in person by a Senior Official of the company, with a signed withdrawal confirming the details. Telephone requests will not be considered. The withdrawal of an RFP does not disqualify a bidder from submitting another RFP on the same contract.

Proposals shall be opened on Tuesday at 16:01:00 on the appointed day for registration of bids or at such time as may be set out in the RFP. Only names of bidders will be made public.

The Two Envelopes Procurement process is used when the purchaser wants to evaluate the technical, qualitative or surety information of a given procurement without being influenced by prior knowledge of the corresponding pricing information.

Each tender is reviewed to determine whether a bid irregularity exists, and action is taken according to the nature of the irregularity (see Schedule "B").

If only one proposal is received, the CAO, in consultation with the Director, has the option of not opening the bid and closing the call for proposal.

Proposals received shall be evaluated on the basis of quantitative and qualitative criteria by originating department.

Following the Council's approval, RFPs over \$30,001 require the contract to be executed by the Mayor and Clerk.

Once an award is made by Council, the report recommending an award shall be a matter of public record.

RFP results, if requested, shall be made public by the Treasurer or Director.

Schedule F - Procurement Approval Requirements

Value	Purchasing Methods	Approval Required			Director	CAO	Council Information	Council Resolution
		In Budget	Coordinator					
\$ 0 to \$15,000	Direct Purchase	Yes	Yes	Or	Yes			
		No	Yes	Or	Yes			
\$15,001 to \$30,000	Three informal Quotes	Yes	Yes	Or	Yes			
		No			Yes		Yes	
	Request for Proposal	Yes	Yes	Or	Yes			
		No			Yes		Yes	
Single Source	Yes			Yes				
	No			Yes		Yes		
\$30,001 to \$99,999	Request for Tender	Yes			Yes			
		No					Yes	
	Request for Proposal	Yes			Yes		Yes	
		No						Yes
	Single Source	Yes			Yes		Yes	
		No						Yes
Negotiation	Yes			Yes		Yes		
	No						Yes	
\$100,000 Over	Request for Tender	Yes					Yes	
		No					Yes	
	Request for Proposal	Yes					Yes	
		No					Yes	
	Single Source	Yes					Yes	
		No					Yes	
Negotiation	Yes					Yes		
	No					Yes		
\$0 to \$50,000	Emergency	No			Yes		Yes	
\$50,000 Over	Emergency	No				Yes	Yes	

Note In Budget - If total cost of goods and services exceed 10% of the approved budget a report to Council is required with financing options