



**TOWN OF PELHAM  
ADMINISTRATIVE POLICIES**

P 303-00

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## **POLICY STATEMENT:**

To comply with the purchasing By-law No. (3250) (2012), as amended, and ensure the most cost-effective methods are used for the acquisition of goods and services for all Town operations and for the disposition of goods according to Town's needs.

### **1. PURPOSE**

The purchasing function of Town operations shall be targeted on meeting the current and future needs of the Town, so as to position the Town to provide the most economical and efficient service to its residents over the long-term.

- (1) The prudent management of Town funds is the personal responsibility of every Elected Official and every member of Town Staff.
- (2) In every Acquisition, to which this policy applies, Town staff are directed:
  - (a) to carry on business on behalf of the Town in a lawful and ethical manner;
  - (b) to act in the manner that will best serve the interests of the Town and through it, the taxpayers and other residents of the Town;
  - (c) to pursue and achieve "Best Value for Money" for the Town so as to maximize long-term savings for taxpayers, and in particular to acquire the necessary quality and quantity of Goods and Services in an efficient, timely and cost effective manner, while maintaining the controls necessary for, and level of integrity expected of, a public institution; and
  - (d) in order to give effect to the policies set out in clauses 2(a), (b), and (c) to employ a competitive bidding process where required under this Policy, and to maximize the openness, accountability and transparency of their dealings with Bidders and Suppliers.
- (3) In complying with the policy directives set out in subsection 1(2), Town staff shall consider in relation to each Bid received respectively in response to a Bid Request, the contribution that the Bid offers towards the achievement of Town's policy objectives, as well as the proven energy conservation, climate change and other environmental benefits that would result from the acceptance of that Bid, and the need to comply with the *Accessibility for Ontarians with Disabilities Act, 2005, c. 11*.



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## 2. DEFINITIONS

In this policy,

**“Acquisition”** means the acquisition of Goods and Services by or on behalf of the Town under any type of Contract to which the Town or an agent of the Town is a party, including every acquisition by purchase, lease, rental or exchange of personal property, and **“Acquire”** and **“Acquiring”** have a corresponding meaning;

**“Applicable Law”** means any applicable federal, provincial or municipal law, statute, Policy, regulation, or court order or order of an administrative tribunal, as in effect from time to time;

**“Applicable Policy”** means any applicable policy of the federal or provincial governments or that has been approved by Council;

**“Award”** means authorization to proceed with the purchase of Goods and/or Services from a chosen Supplier;

**“Best Value for Money”** means in relation to all the Bids received with respect to a proposed Acquisition, the Compliant Bid offering the optimal value balance of efficiency, durability and performance balanced against the cost of the Good or Service concerned, having regard to the Town’s objectives in relation to the Acquisition, and taking into account (to the extent relevant) in relation to each Bid,

- i. the fitness for purpose of the Goods or Services concerned,
- ii. anticipated life-cycle maintenance, operating and replacements costs associated with the Bid;
- iii. immediate or nearer-term availability, local backup and servicing in relation to the item to be supplied;
- iv. the availability of spare parts, warranty coverage and quality control and quality assurance measures offered by the Bidder concerned,
- v. the proven financial, managerial and technical abilities of the Bidder but only to the extent that these are relevant to the Acquisition; and
- vi. the documented disposal value of any Good(s) contemplated in the Acquisition.



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**“Best Value Bid”** means a Compliant Bid offer, proposal or other submission received from a Bidder in response to a Bid Request that offers the Best Value for Money of all such Bids received, provided that in the absence of evidence to the contrary, and except in the case of an Acquisition by Request for Proposal, the Compliant Bid that would provide the Town with the desired Goods or Services at the lowest cost shall be considered the Best Value Bid;

**“Bid”** means an offer or submission from a Supplier in response to a Bid Request which is subject to acceptance or rejection by the Corporation;

**“Bid Approval Report”** means a completed Purchase Requisition, Expenditure Authorization, or Council Report, which authorizes the purchase of Goods and/or Services and is executed by the Purchasing Authorities as set out in Schedule “B”;

**“Bid Award Report”** means a completed report for this purpose in a form approved by the Director, fairly recording the selection of a Bidder and the Award or recommended Award of the Contract for the supply of Goods or Services to which a Bid Request relates;

**“Bid Deposit”** means the security to be submitted with a Bid as described in section 32(1) of this Policy.

**“Bid Request”** means any solicitation from the Town to external Suppliers to supply Goods, Services or both;

**“Bidder”** means a Supplier of Goods or Services submitting a Bid in response to a Bid Request;

**“Bid Deposit”** means the form of security required by the terms and conditions of Bid Requests to guarantee that the successful Supplier enters into a Contract with the Corporation, as required by Section 32 of this Policy;

**“Bid Request”** means a formal request for Bids including a Request for Informal Quotation, Request for Quotation, Request for Pre-Qualification, Request for Tender, Request for Proposal or Request for Expression of Interest;

**“Budget”** means the budget or portion of the budget approved by Council;

**“Chief Administrative Officer” or “CAO”** means the Chief Administrative Officer of the Corporation, his or her Designate or any successor position thereto;

**“Competitive Process”** means:



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- i. an invitation to Suppliers to pre-qualify in accordance with section 14; or
- ii. an Acquisition conducted through a Formal Quotation, Request for Tender or Request for Proposal;

**“Clerk”** means the Clerk of the Corporation or his or her designate;

**“Compliant Bid”** means a Bid that meets or exceeds the specified criteria set out in the Bid Request for participation in the competition for the Award of the Contract to which the Bid Request pertains, including those pertaining to the prior experience or other qualifications of the Bidder;

**“Compliant Bidder”** means a Bidder who submits a Compliant Bid;

**“Conflict of Interest”** means a situation where a personal, business or other interest of an elected or appointed official, officer or employee of the Corporation is, or can be reasonably perceived to be, in conflict with the interests of the Corporation, and includes, but is not limited to:

- i. the giving or receiving of a direct or indirect personal gain or benefit, or a direct or indirect advantage or privilege, by any person or business that offers Goods and/or Services to the Corporation;
- ii. a direct or indirect interest in any business that provides Goods and/or Services to the Corporation;
- iii. a conflict of interest as defined in the Municipal Conflict of Interest Act; or
- iv. a conflict of interest as defined in the Conflict of Interest policy, P100-05 as may be amended;

**“Construction”** means any improvement to land and premises within the meaning of the *Construction Lien Act*;

**“Contract”** means an agreement entered into by the Town with a chosen Supplier pursuant to an Award under this Policy, and includes a Purchase Order and Standing Offer;

**“Council”** means the Council of the Town of Pelham;

**“Department”** means any Department of the Town including any division within a Department;



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**“Department Representative”** means a person authorized in writing by the CAO or a Department Director to requisition the Acquisition of Goods or Services by the Town for the purposes of his or her Department, and in accordance with his or her prescribed signing authority and authorization;

**“Designate”** means a person authorized in writing to act on behalf of another during his or her absence, which written authorization has been filed with the Coordinator of Purchasing Services; only a person holding a position no lower than one level below in the Town’s reporting structure may be authorized to act as a Designate;

**“Director”** means the director of a division within a Department;

**“Disposal”** means the selling, trading, assignment and/or scrapping of surplus assets;

**“Elected Official”** means the Mayor or any member of Council;

**“Electronic Tendering”** means the use of a computer-based system directly accessible by Suppliers irrespective of their location that provides them with information related to Bid Requests;

**“Fair Market Value”** means the price that would be agreed to in an open and unrestricted market between knowledgeable and willing parties dealing at arm’s length who are fully informed and not under any compulsion to transact;

**“Formal Quotation”** means a written quotation for acquisitions \$10,000 and above, in a form approved by the Director of Corporate Services;

**“Goods”** means every kind of tangible, movable property, including:

- i. raw materials, products, equipment,
- ii. electricity, and
- iii. other objects of every kind and description whether in solid, liquid or gaseous form;

**“Informal Quotation”** means a written quotation for acquisitions under \$10,000, which identifies the Goods or Services offered by a Supplier and the price therefore;

**“Invitation to Pre-Qualify”** means an invitation to Suppliers to seek to be pre-qualified for consideration in a Competitive Process under section 14 of this Policy;





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“**Local Bidder**” means a Bidder who has a place of business in the Town of Pelham or elsewhere in the Regional Municipality of Niagara;

“**Manager**” means an employee of the Corporation holding the position of manager;

“**Mayor**” means the Mayor of the Corporation or his or her designate;

“**Non-Competitive Procurement**” means an Acquisition:

- i. made from a Sole Source Supplier or from a Single Supplier; or
- ii. by way of Oral Quotation or Informal Quotation;

“**Open Competition**” means a Request for Tender or Request for Proposal as provided in this Policy;

“**Purchase Cards**” means the purchase cards referred to in section 17, issued and used in accordance with purchasing card policy P303-01;

“**Purchase Order**” means a written confirmation of the purchase of Goods and/or Services at a specific cost;

“**Purchasing**” means the process for obtaining Goods and/or Services;

“Purchasing Authority” means a person authorized to approve purchase orders within their purchasing dollar limit.

“Purchasing Coordinator” means a person reporting to the Treasurer/Director of Corporate Services who has the authorization to coordinate all purchasing activities for the Town of Pelham.

“**Purchasing Services**” means that part of the Corporate Services Department to which has been assigned responsibility for the Acquisition of Goods or Services for or on behalf of the Town, and for the day-to-day administration of this Policy;

“**Quotation**” means a binding statement of price, terms of sale and description of Goods and/or Services offered by a Supplier;

“**Request for Expression of Interest**” or “**RFEOI**” means a public request made by the Corporation seeking responses from potential Suppliers for the purposes of compiling a list of Suppliers who may be interested in providing Goods and/or Services to the Corporation from



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time to time. Receipt of an expression of interest by the Corporation does not create any obligation between the potential Supplier and the Corporation, but may be a precondition to qualifying for subsequent Bid Requests issued by the Corporation;

**“Request for Pre-Qualification” or “RFPQ”** means a public request by the Corporation seeking submissions outlining the experience, financial strength, education, background and significant personnel of potential Suppliers who may, from time to time, qualify to supply Goods and/or Services to the Corporation;

**“Request for Proposal” or “RFP”** means a public request for proposals by the Corporation made in accordance with Section 24 of this Policy, seeking proposals to supply Goods and/or Services which may or may not result in an Award by the Corporation;

**“Request for Quotation” or “RFQ”** means a request for Quotations by the Town for the provision of Goods and/or Services made in accordance with Section 20 & 21 of this Policy;

**“Request for Standing Offer”** means the competitive process used to select a Supplier for a Standing Offer arrangement under section 19 of this Policy;

**“Request for Tender” or “RFT”** means a public request for Tenders by the Corporation made in accordance with Section 23 of this Policy;

**“Services”** means services of any kind or description whether industrial, trade, professional or otherwise;

**“Single Source”** means an individual Supplier with whom a Contract is negotiated directly for the supply of Goods or Services, without being selected through a Competitive Process;

**“Sole Source”** means, in relation to a proposed Acquisition, means the only known source of supply of particular Goods or Services, following a reasonable inquiry into the availability of supply;

**“Special Circumstance”** means:

- i. an event that, unless immediately addressed, is likely to cause significant loss or damage to property;
- ii. an event that likely to pose a threat to health, safety or welfare of an identifiable individual or class of persons, or to the public;
- iii. an event that has disrupted any service that is of a kind that must necessarily be re-established without delay in order to avoid serious inconvenience to the public; or



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- iv. an emergency as defined in the Emergency Management Act, R.S.O. 1990, c. E.8;

“**Standing Offer**” means the form of arrangement between the Town and a Supplier described in section 19 of this Policy;

“**Supplier**” means any individual or organization to whom or which an Award has been made for the furnishing of Goods or Services to the Town under a Contract to which this Policy pertains;

“**Surplus Property**” means Surplus Property within the meaning of section 38;

“**Tender**” means a written detailed offer from a Supplier to supply Goods and/or Services to the Corporation;

“**Town**” means the Town of Pelham;

“**Town Staff**” means every officer, employee or other person acting on behalf of the Town in relation to the Acquisition of Goods or Services, but does not include a Supplier to the Town unless the Contract between the Town and Supplier expressly so provides;

“**Treasurer**” means the Treasurer of the Town, or his or her Designate.

**GENERAL:**

**3. APPLICATION**

(1) Except where otherwise directed or approved by Council by resolution from time to time, the provisions set out in this Policy shall be followed by all members of Town Staff for the Acquisition of all Goods or Services by the Town. They shall be understood to constitute standing instructions given by the Council to the Town Staff.

(2) The provisions of this Policy do not apply to the purchase, lease or other Acquisition of:

(a) real estate including any building, leasehold interest, easement, profit or encroachment (whether Acquired by way of lease, exchange, rental or purchase);

(b) consulting or professional services that are delivered in a manner which gives rise to an employer/employee relationship, in accordance with Town policies and procedures as amended from time to time;



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- (c) acquisitions related to reimbursable expenses incurred by employees or elected officials in accordance with Town policies and procedures as amended from time to time; or
- (d) legal services in relation to pending or anticipated prosecution, litigation, mediation or arbitration, and the retainer of any mediator, arbitrator, conciliator, receiver, forensic accountant, private investigator, trustee-in-bankruptcy, tax advisor or expert witness in relation to any such litigation or arbitration;
- (e) professional services provided to the Town in relation to collective agreement negotiations;
- (f) consulting services that by their inherent nature are required to be provided on a completely confidential basis,

Nor does this Policy apply to any transfer of property, payment made, or Contract entered into, as part of any legal or insurance settlement.

- (3) The provisions set out in this Policy are intended solely for the benefit of the Town.
- (4) No Elected Official or member of Town Staff shall knowingly cause or permit anything to be done or communicated to anyone who is likely to cause any prospective Supplier to have an unfair advantage or disadvantage in obtaining a Contract for the supply of goods and services to the Town.
- (5) No person shall acquire any rights against the Town by reason of any contravention of any provision of this Policy. The Town shall not be under any duty of care to any Bidder or Supplier to monitor or confirm compliance by any member of Town staff with the provisions of this Policy.
- (6) Any Elected Official or member of Town Staff who knowingly contravenes or otherwise fails to comply with the provisions of this Policy may be subject to appropriate disciplinary action, as outlined in policy P 301-09, Progressive Discipline.

**4. PURCHASING SERVICES**

- (1) The Director of Corporate Services shall be responsible for the supervision of the Acquisition and other procurement of Goods and Services by the Town, and shall have all the necessary authority to administer this Policy and to carry out his or her duties on behalf of the Town.



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- (2) There shall be a Purchasing Coordinator who shall report to the Director of Corporate Services, and who shall assist the Director of Corporate Services in carrying out his or her Responsibilities under this Policy.
- (3) The Director of Corporate Services, with the assistance of the Purchasing Coordinator, shall:
  - (a) be responsible for the administration of the Town Acquisition process, and shall monitor and confirm that Acquisitions are being made in accordance with all applicable policies, guidelines and procedures,
  - (b) regularly review the corporate use of Goods and Services to ensure the Town is receiving the optimal balance of quality, quantity, service, and price in all Acquisitions, and advise Council as to any modifications that are required to the Town's Acquisition process to further the policies set out in Sections 12&13;
  - (c) take all reasonable steps to ensure that business transactions are conducted ethically and professionally;
  - (d) advise Department Representatives concerning the practicability of specifications to ensure a maximum number of competitive bids are received in response to a Bid Request, and are consistent with market availability, and advise and assist external or internal legal counsel and Department Representatives in the preparation of the terms of a proposed agreement with a Supplier;
  - (e) ensure that a reasonable number of qualified prospective Bidders receive requests for Requests for Quotation, Requests for Tender, Requests for Proposal, and
  - (f) process purchase requisitions by Departments and administer purchase orders and Contracts Awarded to Suppliers;
  - (g) provide training to Town Staff regarding the Town's Acquisition documentation, process and procedures, and supply copies of all relevant policies and procedures to all such Staff who have been delegated purchasing authority;
  - (h) maintain appropriate records of all Acquisitions and related business transactions; and
  - (i) monitor on-going developments in the field of supply chain management by all governments, trade associations and private business.



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- (4) The Director of Corporate Services may delegate such of the foregoing responsibilities to the Purchasing Coordinator as the Director considers prudent in the circumstances.
  
- (5) The Purchasing Coordinator shall have the authority to:
  - (a) process the Acquisition of all Goods or Services and the disposition of all Goods on behalf of the Town;
  - (b) approve the terms of, and publish or control the publication of all Bid Requests;
  - (c) determine, in accordance with this Policy, and all Applicable Laws and Polices, the appropriate Acquisition method by which Goods and Services may be acquired, the circumstances and means for the pre-selection of equipment and materials, and the pre-qualification of Bidders, and whether a Bid Request may proceed as a Request for Quotation, Request for Tender; Request for Proposal; or subject to clause (d), Sole Source or Single Source transaction;
  - (d) determine whether the requirements for a Sole Source or Single Source transaction are satisfied;
  - (e) open and review all Bids received in respect of a Bid Request in relation to a Request for Formal Quotation, Request for Tender or Request for Proposal;
  - (f) assist the Director of Corporate Services in the establishment of administrative procedures for the implementation of this Policy and approve any forms to be used by Town Staff in connection with the exercise of any procurement authority on behalf of the Town;
  - (g) ensure that responsible departmental staff, Bidders, and Suppliers are aware of the ethical standards relating to procurement by or on behalf of the Town and that adherence to those standards is maintained;
  - (h) establish standards for evaluation committees in cooperation with the Department Representative;
  - (i) develop and maintain all policies, procedures, directives in relation to all aspects of procurement;
  - (j) advise Bidders and all Town Staff involved in procurement on behalf of the Town including the provision of strategic advice, advice regarding fairness monitoring,



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and advice regarding Supplier performance and Contract implementation issues, to Departments in respect of Acquisitions;

- (k) provide training for responsible Departmental staff in relation to procurement;
  - (l) receive, maintain custody of and keep safely all Acquisition records, including Bid Award Reports, and specified evaluation documentation.
- (6) The Purchasing Coordinator shall establish, through consultation with the Director of Corporate Services:
- (a) establish standards for Bid Requests, Purchase Orders, standard for Contracts for the Acquisition of Goods and Services and disposition of Goods and other documents relating to the procurement of Goods and Services by the Town;
  - (b) recommend policies and establish procedures to support the Purchasing Card Policy, P300-03;
  - (c) establish guidelines, recommended policies and procedures regulating procurement on behalf of the Town; and approve the structure, format and content of Bid Requests;
  - (d) supervise the preparation of Bid Requests in consultation with the Treasurer and the Department Representative to ensure clarity, reasonableness, quality and conformity to the Town's requirements;
  - (e) carry out on behalf of the Town, the Library Board or other boards and agencies of the Town, the procurement or disposal of Goods or Services;
  - (f) monitor the conduct of every acquisition of Goods and Services on behalf of the Town to ensure that they are conducted in a way that is open, transparent and fair, and to report periodically thereon to Council, with recommendations as to how to improve the Town's procurement process;
  - (g) monitor compliance with this Policy and advise the Director of Corporate Services of all instances of non-compliance (and in any such case, the Director of Corporate Services shall take appropriate action to address and correct that instance of non-compliance), in the case of Director non-compliance advise the CAO and in the case of CAO non-compliance, advise Council;



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- (h) promote the consolidation or standardization of the procurement of Goods or Services, where such consolidation or standardization is consistent with the purposes, goals and objectives of this Policy.
- (7) The Purchasing Coordinator, with the approval of the Director of Corporate Services, may delegate to an employee or employees, all or part of authority conferred upon the Purchasing Coordinator in this section, which authority may be limited to a particular type of Goods or Services. The Director of Corporate Services shall maintain records of all such delegations of authority.
- (8) The Purchasing Coordinator shall promote good supply chain management by simplifying and standardizing, wherever possible, the procurement of Goods or Services involving like requirements, whether or not such procurement is being made for different Departments. Every effort will be made by Town Staff to reduce the types and kinds of Goods used by the Town to the smallest in number and minimum investment. All Departments shall co-operate and assist in achieving these objectives by considering equivalents or any alternatives suggested.

## **5. BUDGETARY AUTHORITY TO PROCURE**

- (1) No Acquisition shall be made of any Goods and Services unless a Budgetary Authority exists in relation thereto, and no Acquisition shall be made for an aggregate price (including any GST, HST or other tax payable with respect thereto) in excess of the Budgetary Authority. For greater certainty, the exercise of authority to Award a Contract to a Supplier is subject to the identification and availability of sufficient funds in any appropriate account within the Budget for the current year in which the procurement is to be made.
- (2) By way of clarification of subsection (1), no commitment to enter into a Contract with a Supplier shall be entered into in respect of an Acquisition unless:
- (a) funding for the Acquisition has been authorized by Council in the Department's operating or capital budget; or
  - (b) special funding for the Acquisition has been approved by Council; or
  - (c) the commitment is made conditional upon funding approval by Council.
- (3) Where an Award is to be made of a Contract whose term extends beyond the current fiscal year of the Town, the Contract pertaining to that Acquisition shall state expressly





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that the obligations of the Town in any year after the current year is subject to the appropriation of sufficient funds by Council in its Budget for each of the years concerned. Every Bid Request in respect of any such Contract shall state expressly that the obligations of the Town in any year after the current year is subject to the appropriation of sufficient funds by Council in its Budget for each of the years concerned.

- (4) Contractual commitments having a term in excess of three years shall require the express approval of Council.
- (5) No Award shall be made where the term thereof covers more than the current fiscal year of the Town unless it is reasonable in the circumstances to conclude that the Goods or Services concerned will continue to be required in those subsequent years and, in the opinion of the Director of Corporate Services, the required funding can reasonably be expected to be made available.
- (6) Where Acquisitions are contingent upon funding from external parties, the terms of the funding arrangement shall be verified, in writing, prior to any Acquisition process being undertaken. The continued availability of such funding shall be confirmed before any Award is made.
- (7) Where this Policy prescribes a financial limit or requirement in relation to a Contract or class of Contracts or Acquisitions, for the purpose of determining whether a Contract falls within these prescribed limit, the reference to the stated Contract price shall be understood to mean the aggregate of:
  - (a) Costs to be paid to the Supplier under the contract, including the invoice price for Goods or Services concerned, any warranty or other fees, installation costs, and the reimbursement of any expenses; plus
  - (b) any GST, HST and all other applicable taxes; plus
  - (c) the Fair Market Value of any Good or other thing to be traded-in to the Supplier; less
  - (d) any rebates or discounts.
- (8) Where the approved budgetary amount has been estimated and the Bid Award amount is found to be more than twenty-five (25%) percent lower than the estimate;



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- (a) under the operating budget, the remaining budgeted amount is not eligible for spending on other acquisitions unless;
    - i. approved in a report to Council for items greater than or equal to \$25,001
    - ii. approved by the CAO for items greater than or equal to \$10,001 but less than or equal to \$25,000
    - iii. approved by the Department Director for items less than or equal to \$10,000
  - (b) under the capital budget, the remaining budgeted amount must go back to reserves or back to Council for consideration and approval.
- (9) Where an approved budgetary item includes a contingency amount for projects, the authority to spend such contingency must be approved in a report to Council.

## 6. ELECTRONIC BID REQUESTS

- (1) The Director of Corporate Services may allow the publication of Bid Requests using an Electronic Tendering system, whether operated by the Town, another government or by a private sector entity.
- (2) Notification of procurement opportunities by Electronic Tendering shall be complemented by other means of notification unless the Electronic Tendering system employed ensures sufficiently wide dissemination and equal opportunity for prospective Bidders to afford reasonable confidence that the proposed Acquisition will come to the notice of a reasonable number of Bidders within the relevant Supplier community.
- (3) Where an Electronic Tendering system is employed (whether to publish the Bid Request, to allow the submission of Bids in electronic form, or otherwise), the provisions of this Policy shall be read subject to the necessary changes that are required in relation to the use of that system.

## 7. TRADE AGREEMENTS

- (1) The Acquisition of Goods and Services shall be conducted in compliance with all applicable international or interprovincial trade treaties or agreements to which the Government of Canada or the Government of Ontario is a party, including the *North*



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*American Free Trade Agreement, the Agreement on the Opening of Public Acquisition for Ontario and Quebec and the Agreement on Internal Trade.*

- (2) Where an applicable trade agreement supersedes and is in conflict with this Policy, the trade agreement shall take precedence.
- (3) Purchasing Services shall advise the appropriate Department Authority when a proposed Bid Request appears not to conform to an applicable trade agreement as early as possible in the Purchasing process. In any such case, Purchasing Services shall advise as to the changes that must be made to the Bid Request to bring it into conformity with the trade agreement concerned.

## **8. ADVERTISING OF PROCUREMENT OPPORTUNITIES**

- (1) Except where Council otherwise so directs by resolution, every proposed Acquisition that has an anticipated cost to the Town of \$10,000 or more shall be advertised:
  - (a) on the website for the Town or some other website authorized by Purchasing Services for the posting of Bid Requests, from the date that the Bid Request is issued up to and including the closing date for the submission of Bids; or
  - (b) once, at least 10 calendar days before the time allowed for the submission of Bids in response to the Bid Request closes, in a local newspaper within the Regional Municipality of Niagara; or
  - (c) on the Ontario Public Purchasing Association website; or
  - (d) through the Pelham Business Association.
- (2) Where a Request for Tender or Request for Proposal is being made through a commercial Electronic Tendering System, it is sufficient if the Bid Request is published in accordance with the ordinary procedures for the publication of the Bid Request on that system.
- (3) Where a Bid Request is limited to Bidders who have been prequalified under section 14 no additional advertising shall be required.
- (4) Advertising is not required for the Acquisition of professional services in relation to:



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- (a) the negotiation on behalf of the Town of any contract or similar agreement or arrangement;
  - (b) any existing or anticipated litigation, prosecution, arbitration, conciliation or mediation proceeding, including the appointment of a receiver or a trustee in bankruptcy, or the hiring of an expert witness, expert advisor or investigator in relation to that proceeding; or
  - (c) the investigation of any suspected offence under any federal, provincial or municipal law or of any tort committed against or involving the Town or a member of Town Staff.
- (5) The Purchasing Coordinator shall maintain an electronic list of vendors who have expressed an interest in doing business with the Town. Any Supplier of Goods or Services who wishes to be included in the list may apply to be so listed by completing a bidder's application in a form to be approved by the Director of Corporate Services. The Purchasing Coordinator shall endeavor to notify all Bidders so listed of any Bid Requests of a kind that the Supplier concerned has identified.

## **9. CANCELLATION OF BID REQUESTS**

- (1) The Director of a Department may direct Purchasing Services to cancel a Bid Request at any time up to award of a Contract in relation to that Bid Request. Any such cancellation shall be in writing.
- (2) The Purchasing Coordinator shall, wherever possible, return in an unopened state to a Bidder who submitted a Bid, any Bid submitted in relation to the cancelled Bid Request.
- (3) No Bid Request shall be cancelled for any one or more of the following reasons:
  - (a) a failure by any prospective Bidder to submit a Compliant Bid or a timely Bid;
  - (b) the determination that a potentially compliant Bidder was not aware of the Bid Request or did not have a reasonable opportunity to submit a Bid;
  - (c) a mistake or omission made or purportedly made by any Bidder in relation to its Bid;
  - (d) dissatisfaction by any member of Town Staff and/or an elected representative with the results of the evaluation of any one or more of the Bids received in



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response to a Bid Request.

## 10. PURCHASING DOCUMENTATION

- (1) All Bid documents and Contact documents used in connection with an Acquisition shall be in a form approved by the Director of Corporate Services.
- (2) All changes to standard Bid documents or Contracts approved by the Director of Corporate Services.
- (3) Purchasing Services shall have supervision and control over every Bid Request.

## 11. SPECIFICATIONS

- (1) The Department Representative shall be responsible for the preparation of formal specifications when required and to provide same to the Purchasing Coordinator. Specifications shall be definitive as to quality, functions required and operating conditions. The Purchasing Coordinator shall review all specifications to determine if they are in the appropriate form, clear, indicate the minimum acceptable quality level, are commercially practical and in sufficient generic form to ensure competitive bidding.
- (2) Whenever possible, specifications shall be drafted in neutral language so as to avoid giving preference to a particular brand or source of supply. Specifications shall be drafted, where possible, in terms of a problem to be solved, a need to be met or a performance or similar requirement to be satisfied.

## 12. METHODS OF PURCHASING

- (1) In order to achieve the Best Value for Money for the Town, every Acquisition shall be conducted in a manner that is efficient, objective, and accountable. To that end, the Acquisition process and in particular the evaluation of Bids and the Award of a Contract for the supply of Goods or Services to the Town shall be conducted transparently and fairly.
- (2) Every Acquisition shall be carried out:
  - (a) using a process that is as competitive and open as the circumstances permit;
  - (b) with a view towards Acquiring only the necessary quality and quantity of Goods or Services;



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- (c) in an efficient, timely and cost effective manner, while maintaining the controls necessary for a public institution, taking into account the total cost of performing the intended function over the lifetime of the Goods or Services to be Acquired.
- (3) So far as possible, all purchases of Goods and Services shall be consolidated so as to achieve the maximum long-term cost savings to the Town.
  - (4) Under no circumstances shall a procurement of Goods or Services be divided to avoid a requirement of this Policy. For greater certainty, no Acquisition shall be made where quantity or delivery of Goods or Services has been divided or in any other manner arranged so that the price or value of goods and services to be Acquired or the estimated value of Goods or Services has been artificially reduced so as to avoid a requirement of this Policy. Without limiting the foregoing, where Goods or Services of the same kind or type are required in connection with one project, all of those Goods and Services shall be included in determining the price or value for the purposes of this Policy.
  - (5) An Acquisition process shall not be conducted by the same individual who is responsible for the approval of the award of the contract to which that process relates. The Purchasing Coordinator shall ensure segregation of process and award functions.
  - (6) In selecting a Supplier, the total cost of purchasing, maintenance, continuing support, repair, staff training, operation, disposal, quality of performance, environmental impact and cleanup costs, and other related costs shall be considered, rather than only the lowest Bid. The cost of energy consumption may be taken into account in the selection of a Supplier.
  - (7) Every Acquisition shall be conducted in accordance with the requirements of the *Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.M.56, the Municipal Act, 2001, S.O. 2001, c.25, the Municipal Conflict of Interest Act, R.S.O. 1990, c.M.50 and the Discriminatory Business Practices Act, R.S.O 1990, c.D.12* insofar as each of those statutes may be applicable.

**13. ACQUISITION PLANNING**

- (1) Prior to initiating an Acquisition process, the Acquiring Department shall take all reasonable measures to:
  - (a) ensure that the Goods and Services to which the process relates are genuinely required for Town purposes (and, for that purpose, shall make reasonable



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- inquiries to confirm that the Goods and Services are not available from another Town Department);
- (b) consider the Town's short and long-term requirements with respect to quantities and time lines, or total project cost considering the anticipated life span of the program;
  - (c) consider the cost of ongoing maintenance, support, and licensing requirements and similar expenses;
  - (d) confirm availability of approved funding; and
  - (e) except where otherwise provided in this Policy, allow sufficient time to complete the Acquisition to be made in an open and competitive manner as provided in this Policy.
- (2) Where Goods and Services of the same kind or type are reasonably likely to be required by the Town within the same fiscal year, all of those Goods and Services shall be included in determining the estimated value of the Acquisition. The Purchasing Coordinator shall be responsible for confirming that this question has been addressed. In particular, the Purchasing Coordinator shall monitor the routine consumption of Goods and Services that are required by the Town in the conduct of its operations, and shall advise all Directors as to how best to plan their procurements so as to achieve cost savings for the Town.
- (3) In order to reduce duplicate procurement, so far as reasonably practical before any Bid Request Town Staff shall determine:
- (a) whether the Goods or Services to which a proposed Bid Request pertains:
    - i. are available from the existing inventories of stock or other corporate resources of the Town; or
    - ii. may be procured under existing contractual commitments of the Town; and
    - iii. where the Services to which a proposed Bid Request may be provided by an existing member of Town Staff without impairing his or her ability to discharge his or her responsibilities, a fair assessment shall be made of



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the cost of providing those Services internally rather than Acquiring them externally.

## **14. PRE-QUALIFICATION AND ROSTER**

- (1) Subject to subsection (2), upon the request of a Department, or where directed by the Director of Corporate Services, Purchasing Services shall conduct a pre-qualification process to develop:
  - (a) a roster of qualified Suppliers eligible to submit Bids for the supply of miscellaneous occasional professional services (e.g. lawyers, accountants), repair and maintenance services (e.g. plumbers, painters, electricians, and drywall contractors), or for the Acquisition of other Goods or Services that are likely to be required by the Town on a routine basis; or
  - (b) to identify a list of Suppliers who are eligible to bid for a specific Acquisition to be made by the Town.
- (2) Pre-qualification under subsection 14(1)(a) may be employed only in the following circumstances:
  - (a) where the work will require substantial project management by the Town and could result in substantial cost to the Town if the Supplier is not appropriately experienced;
  - (b) where the Goods or Services to be purchased must meet national safety or similar standards;
  - (c) where compatibility of the Goods or Services to be procured is critical to the effective conduct of some aspect of the Town's business or affairs, or to the delivery of services to the public, and it would not be reasonably possible to assess such compatibility within the context of a Request for Tender or a Request for Proposal;
  - (d) where the work involves complex professional, multi-disciplinary or similarly sophisticated expertise, or requires extensive experience in equipment, materials or specialized construction; or
  - (e) where on the opinion of the Director of Corporate Services it is in the best interests of the Town to pre-qualify Bidders for a proposed Acquisition, taking into account the risks to the Town associated with the Acquisition, it's likely cost, the





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potential impact of delay if work is not satisfactorily performed by the Supplier selected, and such other factors as would guide a reasonable purchaser in the circumstances.

- (3) Pre-qualification under this section shall be conducted by way of an open Competitive Process utilizing an Invitation to Pre-qualify in a form approved by the Director of Corporate Services and published in accordance with section 8.
- (4) The Invitation to Pre-qualify shall set out the criteria that must be satisfied in order for a Supplier to secure pre-qualification, which may include, but are not limited to:
  - (a) experience of the respondent in work of comparable value, scope and complexity work;
  - (b) experience of the staff whom the respondent proposes to assign to the project concerned;
  - (c) the apparent sufficiency of the financial, human and other resources available to the respondent in respect of the contemplated Contract;
  - (d) demonstrated ability of the respondent to perform the contemplated Contract;
  - (e) the general reputation of the respondent as well as references provided by previous customers of the respondent in relation to work of comparable value, scope and complexity work;
  - (f) verification that the respondent possesses all required licenses, franchises and permissions to perform the contemplated Contract or is reasonably likely to be able to secure them before work under the Contract is scheduled to commence;
  - (g) the evidence provided by the respondent with respect to its health and safety policies and staff training, as well as the health and safety record of the respondent.
- (5) Every Invitation to Pre-qualify shall state expressly that the receipt by the Town of a submission from a respondent does not create any obligation between the potential respondent and the Town.
- (6) The provisions of this Policy pertaining to the evaluation of Bids including Supplier Performance (Section 34) apply with the necessary modifications to the evaluation of submissions made by a Bidder in relation to an Invitation to Pre-qualify.



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## 15. REQUEST FOR EXPRESSIONS OF INTEREST

- (1) Purchasing Services may conduct a Request for Expression of Interest for the purpose of determining the availability of Suppliers and for the purpose of compiling a list of Suppliers.
- (2) Every Request for Expression of Interest shall state expressly that the receipt of an expression of interest by the Town does not create any obligation between the persons responding to the Request and the Town.
- (3) A Request for Expression of Interest may not be used as a substitute for pre-qualification under section 14 or for a Request for Tender, Request for Proposal or Request for Formal Quotation.

## 16. PETTY CASH AND LOW VALUE PURCHASES

- (1) Despite any other provision of this Policy, the Acquisition of Goods or Services may be made by petty cash on a Single Source basis, subject to the following conditions:
  - (a) the aggregate purchase price paid for all Goods and Services purchased in the same Acquisition transaction or in any two or more related transactions from the same Supplier shall be limited to a maximum of \$300;
  - (b) the Acquisition may be made only by a member of Town Staff to whom spending authority has been delegated;
  - (c) the Acquisition shall be either immediately required to meet a requirement of the Town, or shall be for a Good or Service which is of a nature that is generally made using petty cash;
  - (d) the Acquisition shall be made from a Supplier who sells the Goods or Services concerned in the ordinary course of business; and
  - (e) the Acquisition shall be evidenced by a voucher processed through the Town Treasurer or his/her delegate.
- (2) So far as reasonably practical, Acquisitions using petty cash shall be minimized. Wherever reasonably practical, low value Acquisitions within the \$300 per item limit shall be made using Purchase Cards, as referenced in section 17. The Town Treasurer may recommend policies and impose restrictions upon the making of petty cash Acquisitions and all members of Town Staff shall comply therewith.



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- (3) Except in Special Circumstances, Acquisitions may not be made under this section where there is a Standing Offer arrangement in place under section 19 for the supply of the Good or Service concerned.

**17. PURCHASE CARDS**

- (1) Subject to sections 18, 20, 21, 23, and 24 Goods and Services may be acquired using Purchase Cards in accordance with this purchasing card policy P300-03.

**18. ACQUISITIONS BY ORAL QUOTATION**

- (1) Except as otherwise provided in this Policy, an Acquisition of Goods or Services may be made by direct purchase from a Supplier without complying with section 8, but subject to the following conditions:
- (a) the aggregate purchase price paid for all Goods and Services purchased in the same Acquisition transaction or in any two or more related transactions from the same Supplier shall be limited to a maximum of \$500 or less;
  - (b) the purchase shall be made from a Supplier who deals in such Goods or Services in the ordinary course of its business;
  - (c) the purchase is made by a member of Town Staff to whom an appropriate spending authority has been delegated; and
  - (d) at least one of the following two conditions is satisfied:
    - i. prices for the Goods or Services concerned are regularly advertised by the Supplier and its competitors and it can be shown that the price to be paid is in line with prevailing advertised prices; or
    - ii. at least three oral price quotes were obtained from different Suppliers who sell such Goods or Services in the ordinary course, those quotes and the name of the Suppliers concerned are recorded, and the Supplier chosen provided the lowest price.
- (2) An Acquisition of Goods or Services under subsection (1) shall be made:
- (a) using a Purchasing Card in accordance with the Purchasing Card Policy, P300-03;



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- (b) by Purchase Order to the Supplier; or
  - (c) in certain circumstances by direct invoice from the Supplier approved and signed by the Department Representative or Designate with authority to approve the purchase.
- (3) Except in Special Circumstances, Acquisitions may not be made under this section where there is a Standing Offer arrangement in place under section 19 for the supply of the Good or Service concerned.
- (4) Where, in accordance with section 14, a roster of prospective Suppliers has been pre-qualified for the supply of Goods or Services to which an Acquisition under this section pertains, the Quotations shall be obtained from Bidders who are listed on that roster.

## **19. PURCHASING DOCUMENTATION**

- (1) In this section, "Standing Offer" means a formal arrangement entered into between the Town and a Supplier, under which:
- (a) the Town may place order(s) to Acquire frequently ordered goods, services or construction from that Supplier at a prearranged prices, and under set terms and conditions,
  - (b) orders are to be placed only when and if such Goods and Services are required and;
  - (c) the arrangement with the Supplier is based on the understanding that no Contract shall arise for the supply of any Goods or Services until the Town places an order under the Standing Offer.
- (2) In accordance with this section, the Director of Corporate Services may approve Standing Offer arrangements with a Supplier for the supply to the Town of any Goods or Services of an identified nature or description. The purpose of a Standing Offer arrangement is to allow the Town to secure optimal pricing for the Goods or Services to which the Standing Offer arrangement relates.
- (3) A Standing Offer arrangement may be used where:
- (a) one or more Departments regularly order the same Goods or Services over the course of a fiscal year or during a season of a fiscal year, but and the actual demand therefore is not known in advance, or



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- (b) a need is anticipated for a range of Goods or Services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.
  
- (4) The price to be paid for a Good or Service where an order is placed under a Standing Offer arrangement shall not be greater than the price Bid by the Supplier concerned in response to the Town’s Request for Standing Offer. Where the price being charged by the Supplier to its customers in general is less than the Bid price at the time when an order is placed under a Standing Offer, the terms of the Standing Offer arrangement shall require the Supplier to provide the Good or Services at that lower price.
  
- (5) The Supplier under a Standing Offer arrangement shall be selected by open competition using a Request for Standing Offer approved by the Director of Corporate Services.
  
- (6) In a Request for Standing Offer, the expected quantity of the specified goods or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage adjusted for any known factors that may change usage.
  
- (7) Purchasing Services shall establish and maintain Standing Offers that define the source and price with each selected Supplier.
  
- (8) Each order placed under a Standing Offer shall be considered to be an individual Contract, and the normal Contract Award prescribed limits apply, unless otherwise stated in the original approval document.
  
- (9) At least once a year, Council shall be advised of all Standing Offer arrangements in place. The Purchasing Coordinator shall periodically review all Standing Offer arrangements and shall report to Council as to whether the prices being charged to the Town in relation to each Standing Offer arrangement are consistent with prevailing prices within the market for comparable aggregate purchases of the Goods or Services concerned.

**20. ACQUISITION BY INFORMAL QUOTATION**

- (1) Except as otherwise provided in this Policy, Acquisitions having an aggregate price of less than or equal to \$10,000, shall be Acquired by the Informal Quotation method as provided in this section.
  
- (2) The following rules shall apply to an Acquisition by Informal Quotation:



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- (a) the Department Director or Department Representative shall provide Purchasing Services with a description of the Good or Service to be procured covering the specifications, performance requirements, relevant interfaces, plans and operations conditions that must be met, and such other information as is necessary to secure meaningful and competitive quotations from Suppliers;
  - (b) at least three written Informal Quotations shall be sought by Purchasing Services, provided that where there are only two Suppliers who are able to supply the Goods or Services concerned, Informal Quotations shall be sought from both of those Suppliers;
  - (c) the Informal Quotations obtained shall be analyzed and the results tabulated by Purchasing Services so as to permit a fair comparison of the offers received;
  - (d) Quotations received shall be evaluated on price and the specifications and other criteria outlined in the Bid Request; and
  - (b) the Purchase Order shall be prepared by the Department Representative, for approval in accordance with the Purchasing Authorities set out in Schedule "B".
- (3) Except in Special Circumstances, Acquisitions may not be made under this section where there is a Standing Offer arrangement in place for the supply of the Good or Service concerned.
- (4) Where, in accordance with section 14, a roster of prospective Suppliers has been pre-qualified for the supply of Goods or Services to which an Acquisition under this section pertains, the Quotations shall be obtained from Bidders who are listed on that roster.

### **21. ACQUISITION BY FORMAL QUOTATION**

- (1) For purchases of Goods and Services having a total greater than or equal to \$10,001 excluding taxes, a Formal Request for Quotation shall be used in accordance with this section.
- (2) The following rules shall apply to an Acquisition by Formal Quotation:
  - (a) the Department Director or Department Representative shall provide Purchasing Services with a description of the Good or Service to be procured covering the specifications, performance requirements, relevant interfaces, plans and operations



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conditions that must be met, and such other information as is necessary to secure meaningful and competitive quotations from Suppliers;

- (b) the Director of Corporate Services may approve a standard form of Formal Request for Quotation, which shall be used, with the necessary modifications, for all Acquisitions carried out under the authority of this section;
  - (c) Subject to this section, all Formal Requests for Quotation shall be conducted by Purchasing Services using a form approved by the Director of Corporate Service and shall be carried out in accordance with this section as a closed Competitive Process;
  - (d) at least three written Formal Quotations shall be sought by Purchasing Services, provided that where there are only two Suppliers who are able to supply the Goods or Services concerned, Formal Quotations shall be sought from both of those Suppliers;
  - (e) the Formal Quotations obtained shall be analyzed and the results tabulated by Purchasing Services so as to permit a fair comparison of the offers received;
  - (f) all Formal Quotations received shall be evaluated on price and the specifications and other criteria outlined in the Bid Request; and
  - (g) the Purchase Order shall be prepared by the Department Representative, for approval in accordance with the Purchasing Authorities set out in Schedule "B".
- (3) Where, in accordance with section 14, a roster of prospective Suppliers has been pre-qualified for the supply of Goods or Services to which an Acquisition under this section pertains, the Quotations shall be obtained from Bidders who are listed on that roster.
- (4) Where subsection (3) does not apply, Purchasing Services shall conduct the Bid Request using a list of Suppliers compiled by the Department Representative and Purchasing Services.

**22. COMMON PROVISIONS FOR REQUESTS FOR TENDER, REQUESTS FOR PROPOSAL, AND REQUESTS FOR QUOTATIONS**

- (1) A Bid Request in relation to a Request for Proposal or Request for Tender shall be under the control and supervision of the Purchasing Coordinator, who shall be responsible for confirming that:
  - (a) the proposed Acquisition satisfies the requirements of this Policy; and



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- (b) the process of Acquisition is being conducted in accordance with this Policy.
- (2) Section 8 applies to every Request for Tender or Request for Proposal unless a Bidder has pre-qualified in accordance with subsection 14(1) (b).
  - (3) Purchasing Services shall issue a Purchase Order only when it has received all approvals and documents required by the Request for Tender or Request for Proposal, as the case may be.
  - (4) All Bids received shall be received by Purchasing Services in accordance with the instructions in the Bid Request, and shall be opened in public immediately following the closing time stipulated for the Request for Tender or Request for Proposal at the place stated therein for the submission of Bids.
  - (5) The opening of all Bids shall be attended by a representative from the Department and Purchasing Services. Any member of the public may attend the Bid opening, but any person whose behavior is disruptive may be removed.
  - (6) All persons in attendance shall be advised that no assessment will be made at that time as to whether the Bids that have been received are compliant or complete. The name of each Bidder shall be read out.
  - (7) In the case of a Request for Tender only, after all Bids have been opened, the name of the Bidder shall be stated together with the amount of its Bid.
  - (8) Any Bid irregularities in relation to a Bid shall be dealt with in accordance with section 33.
  - (9) A Bid Award Report shall be prepared in accordance with section 30 in respect of each Request for Tender or Request for Proposal and provided to Council at least quarterly.
  - (10) All Purchases shall be authorized in accordance with the Purchasing Authorities set out in Schedule "B" and all Contracts shall be signed in accordance with the Document Execution Authorities set out in Schedule "B" .
  - (11) Despite any other provision of this Policy, the following Contract Awards require explicit Council approval:
    - (a) where the recommended Award exceeds the amount budgeted for the Purchase;





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- (b) where the authority to Award has not been expressly delegated to a member of Town Staff;
- (c) where in the case of a Tender or Formal Quotation the recommended Award is not the lowest priced Bidder;
- (d) where in the case of a Request for Proposal, the recommended Award is not to the highest scoring Bidder.

## **23. REQUESTS FOR TENDER**

- (1) A Request for Tender shall be used for purchases greater than or equal to \$10,001 where all of the following criteria apply:
  - (a) the Acquisition of the Goods or Services concerned is not otherwise authorized or directed by this Policy, or has not been otherwise directed or approved by a resolution of Council;
  - (b) two or more sources are considered capable of supplying the Town's requirement;
  - (c) the nature of the Goods or Services to be Acquired is such that Bids can be fairly compared primarily by reference to price; and
  - (d) the specifications and other requirements that must be satisfied by a Bidder are adequately defined to permit the evaluation of Bids against clearly stated criteria that can be objectively assessed.
- (2) The Director of Corporate Services may approve a standard form of Request For Tender for Acquisitions to be made by the Town, and after such a Form is approved, unless that Director otherwise authorizes, every Request for Tender shall be issued in that form with such modifications as may be required in the circumstances.
- (3) The following rules shall apply to an Acquisition by Request for Tender:
  - (a) except where the prospective Bidders for the Request for Tender have been prequalified under section 14(1)(b)(1)(a), the Request for Tender shall be open;
  - (b) the Department Director or Department Representative shall provide Purchasing Services with a description of the Good or Service to be procured covering the specifications, performance requirements, relevant interfaces, plans and operations



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conditions that must be met, and such other information as is necessary to secure meaningful and competitive Quotations from Bidders;

- (c) all Requests for Tender shall be conducted by Purchasing Services and shall be carried out in accordance with this section;
- (d) all Compliant Bids received in response to the Request for Tender shall be analyzed and the results tabulated by Purchasing Services so as to permit a fair comparison of the offers received;
- (e) all Compliant Bids received shall be evaluated on price, specifications and other criteria outlined in the Request for Tender; and
- (f) the Purchase Order shall be prepared by the Department Representative, for approval in accordance with the Purchasing Authorities set out in Schedule "B".

## **24. REQUESTS FOR PROPOSAL**

- (1) A Request for Proposal may be employed in relation to an Acquisition where one or more of the following conditions is satisfied:
  - (a) no other method is provided for under this Policy or any other Policy of the Town or resolution of Council for making the Acquisition concerned;
  - (b) the nature of the Goods or Services to be Acquired is not such that Bids can be fairly compared primarily by reference to price; and
  - (c) the precise Goods or Services, or the specifications therefore, are not known or are not definable and it is expected that Suppliers will further define them;
  - (d) it is reasonable to believe that;
    - i. there are a range of Goods or Services that are able to address the Town's requirements; and
    - ii. the cost and benefit to the Town in selecting the various options that appear likely to be brought forward cannot reasonably be compared solely or primarily by reference to price;



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- (e) the Town wishes to invite Bidders to propose a solution to a problem, requirement or objective with the selection of the Supplier to be based on the effectiveness of the proposed solution rather than on price alone.
  
- (2) A Request for Proposal may be made using:
  - (a) a one-envelope method, in which each Bidder submits the full details of its proposal as contemplated in the Request for Proposal in a single sealed envelope;
  - (b) a two-envelope method, in which each Bidder submits its price in one sealed envelope and all other details of its proposal as contemplated in the Request for Proposal in a second sealed envelope (in which case, the price envelope with respect to any Bidder participating in the competition for the Contract shall not be opened until the completion of the evaluation of the information in the second sealed envelope in respect of all Bidders);
  
- (3) The following rules shall apply to an Acquisition by Request for Proposal:
  - (a) except where the prospective Bidders for the Request for Proposal have been prequalified under section 14(1)(b), the Request for Proposal shall be open;
  - (b) the Department Director or Department Representative shall provide Purchasing Services with a description of the Good or Service to be procured covering the specifications, performance requirements, relevant interfaces, plans and operations conditions that must be met, and such other information as is necessary to secure meaningful and competitive quotations from Suppliers;
  - (c) the Director of Corporate Services may approve a standard form of Request for Proposal, which shall be used, with the necessary modifications, for all Acquisitions carried out under the authority of this section;
  - (d) Subject to this section, all Requests for Proposals shall be conducted by Purchasing Services and shall be carried out in accordance with this section;
  - (e) All qualified Bids received in response to the Request for Proposal shall be analyzed and the results tabulated by Purchasing Services so as to permit a fair comparison of the offers received;
  - (f) Quotations received shall be evaluated on price, specifications and other criteria outlined in the Request for Proposal; and

*reasonable under  
the circumstances  
as determined by the  
CAO or Treasurer,  
or designee*

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(g) the Purchase Order shall be prepared by the Department Representative, for approval in accordance with the Purchasing Authorities set out in Schedule "B".

### 25. ACQUISITION WHERE THERE ARE SPECIAL CIRCUMSTANCES

- (1) Where the Director of Corporate Services or CAO is of the opinion that there are Special Circumstances in relation to a proposed Acquisition that a reasonable person would consider sufficient to warrant a Non-competitive Acquisition, the Director or CAO, as the case may be, may authorize the Acquisition of such Goods or Services as are considered necessary to remedy that situation, provided that the price to be paid therefore is less than or equal to \$10,000 for approval by the Director and less than or equal to \$25,000 for approval by the CAO;
- (2) Where Council, on the advice of the Director of Corporate Services or CAO, is of the opinion that there are Special Circumstances in relation to a proposed Acquisition that a reasonable person would consider sufficient to warrant a Non-competitive Acquisition, Council may authorize the Acquisition of such Goods or Services as are considered necessary to remedy that situation, where the price to be paid therefore is \$25,001 or more, provided that Council is satisfied that adequate appropriation exists within a Council approved estimate to fund the Acquisition concerned.
- (3) Special Circumstance Acquisitions may be made using the most expedient and economical means possible in the circumstances concerned. So far as possible, efforts shall be made to effect such Acquisitions in accordance with section 21. In cases of great urgency, such Acquisitions may be made in accordance with section 20. Only in cases of extreme urgency shall such Acquisitions be made under section 26.
- (4) The Purchasing Coordinator shall provide assistance when requested to expedite any purchasing or other documents necessary to deal with the Special Circumstance.
- (5) A written report to Council shall be submitted to Council immediately after the making of any Acquisition under this section.
- (6) For the purposes of subsection (1), the CAO and Director of Corporate Services jointly shall possess the same signing authority as the Mayor and Clerk.

### 26. ACQUISITION FROM SINGLE SOURCE SUPPLIER

- (1) Acquisitions may be made from a Single Source Supplier only as provided in this Policy, and in particular in accordance with section 27.



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- (2) In addition to those other circumstances in which an Acquisition may otherwise be made from a Single Source Supplier under this Policy, Goods or Services may be Acquired from a Single Source Supplier where:
- (a) an attempt to acquire the required Goods or Services by a Competitive Process has been made in good faith, but has failed to identify a willing, capable and compliant Supplier;
  - (b) the Acquisition involves the construction, renovation, repair, maintenance etc. of a building on land leased by the Town, and may only be done by the lessor of thereof, or by a person approved by the lessor, under the terms of the lease agreement;
  - (c) the Goods or Services have been offered to the Town under circumstances which are exceptionally advantageous to the Town, such as in the case of a bankruptcy or receivership; or
  - (d) another organization is funding or substantially funding the Acquisition and has determined the Supplier, and the terms and conditions under which the Acquisition is to be made.
- (3) No Acquisition shall be made from a Single Source Supplier without confirmation that the Town will be paying a reasonable price in the circumstances.
- (4) Goods or Services may be acquired under the authority of this section from the Federal or Provincial Government, a municipality within Ontario or any agency of any of the foregoing, where it appears to the CAO to be in the best interests of the Town to do so.
- (5) Quarterly, the Treasurer shall submit to Council a report listing all Single Source acquisitions where the price thereof is in excess of \$10,000.

**27. NEGOTIATION**

- (1) Where it is proposed to make an Acquisition using a Non-Competitive Procurement, from a Single Supplier or Sole Supplier it shall be made in accordance with this section.
- (2) In the event that two or more identical Bids are received in respect of a Bid Request, the Award of the Contract shall be made on the basis of a negotiation in accordance with this section.
- (3) Where negotiations are required under subsections (1) or (2), or are otherwise permitted



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under this Policy, the member of Town Staff responsible for the Acquisition concerned shall use all reasonable efforts to negotiate the most favorable terms with the prospective Supplier. Negotiations shall be conducted ethically and fairly. The CAO or Director of Corporate Services shall be advised with respect to the progress of negotiations, and may give directions in relation thereto.

## **28. ROUTINE PURCHASES**

- (1) The requirements of this Policy for a Competitive Process and for negotiation where Non-Competitive Procurement is authorized or required do not apply with respect to the following transactions or classes of Acquisition:
- (a) the payment of routine travel related expenses, such as plane, rail or bus tickets, accommodation, meals, short-term car/vehicle rentals and toll road payments;
  - (b) Town Staff meeting or similar meeting expenses including the cost of meeting rooms, set-up, catering and catered functions;
  - (c) the cost of conferences, conventions, courses, workshops and seminars provided in the ordinary course of business by the Supplier concerned;
  - (d) the cost of magazines, books and periodicals;
  - (e) memberships in professional and vocational associations;
  - (f) the reimbursement of refundable expenses including travel, meals, accommodation, short-term car/vehicle rentals, taxi fares, toll road payments and any related expenses;
  - (g) the purchase of utilities, including telephone service, cable or satellite television service, electricity, natural gas, or water;
  - (h) the purchase of government licenses or permits (e.g., vehicle, elevator, radio, firearm, etc.) or any similar certificates and other approvals that may be required by the Town;
  - (i) the payment of postage and courier costs;
  - (j) the cost of Construction carried out by a railway on property of the Town and billed to the Town;



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- (k) the cost of insurance coverage and bonds when purchased through the Town's insurance broker of record;
- (l) any payment to any person or class of persons specifically authorized or directed to be made by Council resolution or Policy;
- (m) the payment of any fees or similar charge the amount to be paid is fixed by any Applicable Law or by the order of a regular exercising authority under any Federal or Provincial law.
- (n) the payment of any other amount required to be paid under statutory authority.

### 29. COOPERATIVE PURCHASING

- (1) Subjection to subsection (3), with the approval of the CAO, the Town may participate in co-operative purchasing plans with other municipal governments, school boards, universities, community colleges, public hospitals, the Federal Government or Provincial Government or their respective agencies, where deemed beneficial to the Town, and for that purpose may enter into an agreement under which the Acquisition of Goods or Services therein described shall be carried out in accordance with the purchasing rules and regulations of that entity, rather than those of the Town.
- (2) Where an arrangement under subsection (1) is to be conducted by some other government body, ministry, agency, school board, municipality or other public authority than the Town, the Director of Corporate Services may agree on behalf of the Town, in his or her discretion, that the purchasing rules and policies of the government body, ministry, agency, school board, municipality or other public authority concerned shall apply to that Acquisition.
- (3) Subsections (1) and (2) apply only insofar as the CAO determines that the rules and regulations of the entity concerned are in substantial accord with the requirements of the *Broader Public Sector Accountability Act*, 2010, S.O. 2010, c. 25 and the provisions of this Policy.

### 30. REPORTING PROCEDURES

- (1) In the case of every Request for Tender or Request for Proposal, a Bid Award Report shall be prepared by Purchasing Services, signed and authorized in accordance with the Purchasing Authorities set out in Schedule "B".



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- (2) At least quarterly, the Treasurer shall submit to Council a report listing all Acquisitions of Goods and Services where the price thereof is greater than or equal to \$25,001.

**31. PURCHASE ORDERS, SIGNING AUTHORITY AND EXECUTION OF CONTRACT**

- (1) This section does not apply with respect to an Acquisition made by Purchasing Card or by petty cash.
- (2) The Mayor and Town Clerk shall have the authority to execute all Contracts and all other documents necessary to effect an Award for the Acquisition of Goods or Services.
- (3) The officers of the Town identified in Schedule "B" shall possess the authority therein described to execute Contracts and other documents necessary to effect an Award for the Acquisition of Goods or Services, where the price of the Contract to be Awarded is less than \$25,001.
- (4) Every person exercising signing authority under this section shall, before doing so, confirm that:
- (a) the Contract concerned is within his or her signing authority;
  - (b) the price to be paid under the Contract is within its prescribed budget limit;
  - (c) the documents presented for signing have been prepared as required under this Policy.
- (5) Subject to this section, the Award of Contract by the Town may be made by way of a formal written agreement or by the issue of a Purchase Order. In particular:
- (a) A Contract shall be Awarded by Purchase Order only when the resulting Contract is straightforward and the Bid Request contains all of the terms and conditions in relation to the Contract.
  - (b) A formal agreement shall be used when the resulting Contract is complex or will contain terms and conditions other than those set out in the Bid Request.
  - (c) It shall be the responsibility of the Director of Corporate Services or the Purchasing Coordinator to determine if it is in the best interest of the Town to require a formal written agreement with the Supplier.





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- (6) Where a formal agreement is issued, the Purchasing Coordinator shall issue a Purchase Order incorporating the formal agreement.
- (7) Where a formal agreement is not required, the Purchasing Coordinator shall issue a Purchase Order incorporating the terms and conditions relevant to the Award;
- (8) Purchasing Services shall be responsible for the safeguarding of all original purchasing and Contract documentation for the Acquisition of Goods or Services.

## **32. FINANCIAL SECURITIES AND INSURANCE**

- (1) Purchasing Services may require that a Bid be accompanied by a Bid Deposit or other similar security to guarantee that the Best Value Bidder enters into a Contract with the Town.
- (2) A Supplier to whom a Contract is Awarded may also be required to provide:
  - (a) a Performance Bond to guarantee the performance of the Contract;
  - (b) a Labour and Materials Payment Bond to guarantee the payment for labour and materials to be supplied in connection with the Contract; or
  - (c) such further security as Purchasing Services deems appropriate in the circumstances.
- (3) Prior to the commencement of work, the Supplier shall provide to the Town, proof of insurance in accordance with the Bid Request, satisfactory to the Director of Corporate Services.

## **33. BID IRREGULARITIES**

- (1) Irregularities in relation to Bids shall be governed by Schedule "A".
- (2) Where a Bid irregularity is not covered by Schedule "A", the irregularity shall be dealt with in the way most consistent with promoting a Competitive Process for the Acquisition of Goods and Services.

## **34. SUPPLIER PERFORMANCE**

- (1) In this section, "unsatisfactory performance" means;



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- (a) a significant failure by a Supplier to meet Contract specifications, terms and conditions, to deliver Goods or Services within the time allowed under the Contract; or
  - (b) the commission of a health and safety violation or environmental offence.
- (2) Every Town Department shall monitor and document the performance of Suppliers delivering Services to that Department and shall advise Purchasing Services in writing when the performance of a Supplier has been unsatisfactory.
- (3) Every Department shall inspect all deliveries of Goods and Services to that Department to determine whether they meet the specifications provided for in the Bid Request or Contract as the case may be, and to confirm whether they are being delivered on time. The Department Representative shall be responsible for the return of all Goods that do not meet the specifications or other requirements of the Contract. Purchasing Services shall be notified of any such deficient delivery of Goods.
- (4) Upon the completion of every Contract for Goods or Services having a price of \$25,001 or more, the Purchasing Coordinator shall, with the assistance of such other members of Town Staff who dealt with the Supplier concerned, complete a Supplier performance evaluation report in a form to be approved by the Director of Corporate Services.
- (5) The Purchasing Coordinator shall document all allegations of unsatisfactory performance and record all evidence with respect thereto.
- (6) The Director of Corporate Services may, prohibit an unsatisfactory Supplier from bidding on future Contracts for a period of up to three years. No order shall be made under this subsection without allowing the Supplier a hearing.
- (7) In the sole discretion of the Town, whether or not a Bid or Bidder otherwise satisfies the requirements of a Tender, the Town may reject summarily any Bid received from;
- (a) a corporation or other person which has been involved in one (1) or more civil actions or arbitrations with the Town or the Regional Municipality of Niagara, within the five year period immediately preceding the date on which the Bid Request was published;
  - (b) any person against whom the Town or the Regional Municipality of Niagara, has made one (1) or more claims under a Bid bond, a performance bond or a warranty



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bond within the five year period immediately preceding the date on which the Bid Request was published;

- (c) any corporation that is an affiliate of or successor to any person or corporation described in clauses (a) or (b), but this clause shall not apply where there has been a change in the ownership of that corporation since the events described in clauses (a) or (b) occurred;
- (d) a person which in the opinion of the Town or its professional advisors, does not possess the experience, or financial, technical, personnel or other resources that may reasonably be expected to be necessary in order to carry out the obligations that the Bidder proposes to assume under the terms of its Bid;
- (e) any person with respect to whom there are reasonable grounds to believe that it would not be in the best interests of the Town to enter into a Contract, including (without limiting the foregoing) the conviction of that person or any person with whom that person is not at arm's length within the meaning of the Income Tax Act (Canada) of an offense,
  - i. under any taxation statute in Canada,
  - ii. of moral turpitude, whether in Canada or elsewhere;
  - iii. under the *Environmental Protection Act* or the *Occupational Health and Safety Act*, where the circumstances of that conviction evidence a gross disregard for the life or safety of any person or for the environmental well-being of the communities in which it carries on business.

## **35. BIDDER DEBRIEFING**

- (1) Consistent with the Town's policy of maintaining a competitive bidding environment and an open, accountable and transparent process for the Acquisition of Goods or Services, the Purchasing Coordinator shall arrange for a debriefing with any Bidder who so requests, to:
  - (a) identify the weaknesses and strengths of the Bid submitted by the Bidder, and explain how the Bidder may compete more effectively for Town Contracts in the future;
  - (b) explain the process by which the Town conducts competitions for contacts for the Acquisition of Goods and Services.



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- (2) Purchasing Services shall conduct periodic briefings for Suppliers of Goods and Services who may be interested in competing for Town Contracts as to the process by which the Town conducts competitions for contracts for the Acquisition of Goods and Services.
- (3) Where a complaint is made to the Town regarding the manner in which a Bid Request has been administered or a Contract has been Awarded, the Purchasing Coordinator shall investigate the complaint and will make a report to the Director of Corporate Services, CAO or Council, as appropriate. In the event that the Purchasing Coordinator or Director of Corporate Services is directly concerned in the complaint, the investigation and report shall be made by the CAO.
- (4) All requests for a Bidder debriefing to obtain feedback on why a Bid was not successful shall be directed to the Purchasing Coordinator.
- (5) Neither a request for a Bidder debriefing, nor any information provided by the Bidder at the debriefing, shall alter an Award.

## **36. DISPUTED AWARDS**

- (1) Any complaint made by a Bidder or Supplier, whether addressed to an Elected Official or to a member of Town Staff, shall be referred to the Director of Corporate Services for resolution. Objections to an Award or the conduct of a Bid Request shall be required to be made in writing.
- (2) The Director of Purchasing shall review the objection and determine, in consultation with the Town's legal advisors where necessary, whether the objection is material.
- (3) Where the objection is determined not to be material, the making of the Award shall proceed in accordance with this Policy.
- (4) Where the objection is determined to be material and cannot be resolved, the Director of Corporate Services and the Department Head on whose behalf the Bid Request was issued shall make a report to Council with respect to the dispute.
- (5) Where the Award is the subject of a dispute, the Award shall be made only by Council.

## **37. LOBBYING RESTRICTIONS**



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- (1) Suppliers, their staff members, or anyone involved in preparing Bids shall not engage in any form of political or other lobbying whatsoever or seek to influence the outcome of the Competitive Process or subsequent Award. This restriction also extends to all of the Town Staff and members of Council.
- (2) The Town may reject any Bid by a Bidder that engages in such lobbying, without further consideration, and may terminate that Bidder's right to continue in the Competitive Process.
- (3) During a Bid Request process, all communications shall be made through Purchasing Services. No Supplier or person acting on behalf of a Supplier or group of Suppliers, shall contact any elected official, consultant or any employee of the Town to attempt to seek information or to influence the Award.
- (4) Elected officials shall refer any inquiries about a Bid Request process to the Director of Corporate Services.
- (5) To ensure that the complaint process is seen to be fair and impartial, elected officials shall not advocate on behalf of Suppliers who have submitted a complaint regarding any Bid Request or the Award of any Contract by the Town.

**38. SURPLUS PROPERTY**

- (1) This Section does not apply to Goods traded-in in part-payment of the purchase price of new Goods or returned for credit or replacement to the original Supplier.
- (2) For the purposes of this section, Directors shall submit to Purchasing Services from time to time and upon request, a list of furniture, vehicles, equipment, stocks and other assets, which are obsolete, damaged or surplus to that Department's needs.
- (3) All apparently surplus property shall first be offered to other Departments within the Town. Where it is determined that apparently surplus property cannot be used by another Town Department, the property shall be declared to be surplus property by the Purchasing Coordinator and shall be dealt with in accordance with this section.
- (4) Surplus Property of the Town may be sold by private sale or public auction, Request for Tender or Request for Proposal, provided that the method so employed is commercially reasonable in all of the circumstances. In disposing of Surplus Property, Town Staff are directed to seek to obtain the highest price possible.



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- (5) The following persons may purchase Surplus Property only where sold by public auction or by Request for Tender or Request for Proposal:
  - (a) any Elected Official;
  - (b) any member of Town Staff;
  - (c) the business partner, life-partner, spouse, child, brother, sister or parent of any person described in clauses (a) or(b); or
- (6) The provisions of this Policy with respect to Acquisitions by way of Request for Tender or Request for Proposal apply with necessary modification to the sale or other disposition of Surplus Property by such methods.
- (7) The respective Department shall be credited with the net proceeds, if any, from the Disposal of its Surplus Assets unless otherwise agreed.

**39. ENVIRONMENTAL CONSIDERATIONS**

- (1) All Departments will endeavor to include specifications in Bid Requests that provide for energy efficient products, reusable products and products that contain the minimum level of post-consumer waste or maximum level of recyclable content, without significantly affecting the intended use of the product or service. It is recognized that cost analysis is required in order to ensure that the products are competitively priced.

**40. COMPLIANCE**

- (1) All persons involved in the purchase of Goods and/or Services provided for in this Policy, shall act in a manner consistent with the requirements and objectives of this Policy.
- (2) Contracts may not be divided into two (2) or more parts to avoid the requirements of this Policy.
- (3) Any Goods and/or Services that are obtained in contravention of this Policy will be subject to investigation by the Town, following which the Corporation will take the necessary corrective action.
- (4) Any employee of the Town who knowingly contravenes this Policy is committing a serious act of misconduct and may be held personally liable for the full value of the purchase as well as disciplinary action up to and including termination.



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## **41. IN-HOUSE BIDS**

- (1) In-house bidding is a process that allows for internal Town Departments to compete with external entities for procurement opportunities. In-house bidding may be used for the procurement of Goods or Services where Council approves doing so.
- (2) Where Council approves an in-house bidding process, the Bid Request shall state expressly that in-house bidding will be permitted.

## **42. PROVIDING ASSISTANCE**

- (1) The CAO has the authority, provided there is no adverse impact upon the operations of the Town, to lend, lease, rent or otherwise provide any vehicle, equipment or other goods owned by the Town to any federal, provincial or municipal body, ministry, agency, board, Town or other public authority when such action is reasonably justified due to unforeseen conditions, and shall report such action to Council forthwith.

## **43. CONFLICT OF INTEREST**

- (1) In relation to every Acquisition, every:
  - (a) Elected Official shall comply with the *Municipal Conflict of Interest Act*; and
  - (b) member of Town Staff or consultant to the Town shall comply with all Town policies pertaining to conflict of interest.
- (2) Without restricting the generality of the foregoing, no person shall act on behalf of the Town in any capacity in relation to any Acquisition where that person has a material interest in the Award of the Contract to which the Acquisition pertains.
- (3) After the issue of a Bid Request through to the Award of the Contract to which that Bid Request relates, no Elected Official or member of Town Staff shall directly or indirectly accept (other than by way of purchase at Fair Market Value) any thing of any value or special privilege from any prospective Bidder or any other person to which the Contract to which the Acquisition relates is or might be Awarded.
- (4) No Good or Service shall be Acquired by the Corporation from any:
  - (a) Elected Official;



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- (b) member of Town Staff;
  - (c) the business partner, life-partner, spouse, child, brother, sister or parent of any person described in clauses (a) or (b); or
  - (d) any corporation in which any person described in clauses (a), (b) or (c) holds 10% or more of the voting shares of that corporation by number, or is entitled to elect or appoint one or more directors to the board of that corporation,
- (5) except with the prior approval of Council a Contract purportedly Awarded contrary to subsections(1), (2), or (3) is voidable at the option of the Town.
- (6) No member of Town Staff shall intentionally give an unfair advantage to any prospective Bidder in relation to an Acquisition.
- (7) Despite subsection (6), it is not a Conflict of Interest for a member of Town Staff who is aware of a qualified Supplier to notify that Supplier of the issue of a Bid Request.

**44. GIFT POLICY**

- (1) Every elected official, appointed officer, employee of the Town or member of an employee’s family is expressly prohibited from accepting, directly or indirectly, from any person, company, firm or Town to which any Purchase Order or Contract is, or might be Awarded, any rebate, gift or money, except:
- (a) gifts of a very small intrinsic value (less than \$10.00); or
  - (b) moderate hospitality during the normal course of business that would not significantly exceed what the Town, through the employee’s expense account, would likely provide in return and would not be perceived by others as influencing the making of a business decision.

**45. MICELLANEOUS**

- (1) The Director of Corporate Services shall review the effectiveness of this Policy at least every three years and shall report to Council as necessary.





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**SCHEDULE "A"**

**DIRECTIONS REGARDING BID IRREGULARITIES**

	<b><u>IRREGULARITY</u></b>	<b><u>RESPONSE</u></b>
1.	Late Bids	Automatic rejection.  Returned unopened to the bidder.
2.	Unsealed Envelopes	Automatic rejection.
3.	<b>Insufficient Financial Security</b>	
	A) No bid deposit, uncertified cheque, or financial security not an original (e.g. a photocopy or a facsimile of a financial security)	Automatic rejection.
	B) Amount of Financial Security is insufficient.	Automatic rejection.
	i. Amount of Security is expressed as a percentage of the total bid sum	Automatic rejection, unless in the opinion of Purchasing Services and Legal Services, the insufficiency in the financial security is less than \$10.
	ii. Amount of Security is expressed as a dollar figure	Automatic rejection
	C) Name, or signature of Supplier, or bonding company are missing or incomplete	Automatic rejection
	D) Failure to provide a letter of agreement to bond (if required)	Automatic rejection



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4.	<b>Bid Document – execution</b>	
A)	Bids completed in erasable medium	Automatic rejection
B)	Signature of representative authorized to bind the Supplier missing or incomplete on the Bid Document.	Automatic rejection (except in the case of electronic bidding, in which case <i>Electronic Commerce Act, 2000</i> , S.O. 2000, c. 17 shall apply
C)	Form of Tender missing or incomplete	Automatic rejection, unless allowed for in the Bid Request.
D)	Date of Bid missing or incomplete	Two (2) working days * to correct, otherwise automatic rejection or, if stated in the Bid Request, automatic rejection
5.	Document, in which all necessary Addenda have not been acknowledged.	Two (2) working days* to confirm Bid to the satisfaction of Purchasing Services or, if stated in the Bid Request, automatic rejection.
6.	Bid received on documents other than those provided in the Bid Request	Automatic rejection, unless allowed for in the Bid Request.
7.	Qualified Bids (Bids qualified or restricted by an attached statement).	Automatic rejection, unless allowed for in the Bid Request.
8.	Bids containing minor obvious clerical errors.	Two (2) working days * to confirm Bid to the satisfaction of Purchasing Services.
9.	Any other irregularities	Purchasing Services shall have authority to waive other irregularities or grant two (2) working days to initial such other irregularities considered to be minor.

\*Where "working days" specified, this is from the hour the Bidder is notified by Town staff of the irregularity

**PURCHASING POLICY  
SCHEDULE "B" – PURCHASING AND EXECUTION AUTHORITY**

<b>Method Of Purchasing</b>	<b>Dollar Value</b>	<b>Purchasing Authority*</b>	<b>Document Execution Authority</b>	<b>Type Of Agreement With Supplier</b>
Direct Purchases (for routine purchases of low dollar value)	Up to and including \$300	Department Head and/or designate as determined by the individual department head	Purchasing Coordinator	Cash, purchase order or Purchasing Card
Informal Quotation	From \$301 to \$10,000	Department Manager	Purchasing Coordinator	Purchase order or legally executed agreement
Formal Quotation Request for Tender & Request for Proposal	From \$10,001 to \$25,000	Chief Administrative Officer (or Department Heads at the discretion of the Chief Administrative Officer)	Purchasing Coordinator	Purchase order or legally executed agreement
Formal Quotation Request for Tender & Request for Proposal	From \$25,001	Town Council	Purchasing Coordinator	Purchase order or legally executed agreement
Exceptions to Methods of Procurement	All inclusive	All inclusive	Purchasing Coordinator	As noted per dollar value above.

**\*\*For detailed processes, refer to the procedures document related to the specific method of purchase.**