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Policy Statement

1. The City recognizes that maintaining a policy for the procurement of goods and services, per subsection 270(1) of the *Municipal Act, 2001*, S.O. 2001, c. 25, promotes and maintains the integrity of the procurement process and allows the City to obtain the best value by ensuring quality, efficiency, and effectiveness throughout the procurement process.
2. The City follows these guiding principles in the public procurement of goods, services and construction:
 - a. competition is encouraged amongst suppliers by using an open, transparent and fair process;
 - b. assistance and direction are provided to all stakeholders relating to the procurement process;
 - c. where practicable, accessibility for persons with disabilities will be provided;
 - d. where practicable, environmentally conscious choices will be made; and
 - e. staff are mandated to use ethical purchasing practices.

Purpose

3. This policy has been enacted for the procurement of goods, services, construction or consulting to:
 - a. ensure an efficient, timely and cost-effective approach while maintaining controls necessary for a public agency;
 - b. encourage objective and equitable treatment of all suppliers while ensuring the principles of fairness, transparency and accountability;
 - c. ensure the best value of an acquisition is obtained by determining the total cost. Factors to consider may include, but shall not be limited to, the determination of the total cost of performing the intended function over the lifetime of the task, acquisition cost, installation, disposal value, disposal cost, quality of product, training cost, maintenance cost, quality of performance and environmental impact;

- d. support effective business planning to ensure that acquisitions occur after consideration of need, alternatives, timing and appropriate life cycle management;
- e. adhere to the highest standards of ethical conduct and to avoid conflicts between the interests of the City and those of the City's employees, officers and elected officials;
- f. ensure compliance with applicable trade agreements, applicable laws and regulations; and
- g. encourage due regard for the preservation of the natural environment.

Scope

- 4. This policy applies to all procurement undertaken by City employees, save and except, the exclusions and exceptions outlined in Appendix 'A' to this policy.
- 5. This policy applies to all employees of the City and all local boards of the City who have not adopted their own policy for the procurement of goods and services.

Definitions

- 6. For the purposes of this policy,

"Acquisition" means to obtain goods, services, construction or consulting Services;

"Applicable Law" means all federal, provincial, and municipal laws that apply to or have jurisdiction over the City, as amended from time to time, including, without limitation, any statutes, by-laws, regulations, rules, and any lawful orders or directives;

"Approval Authority" means the authority to approve and award Procurements, as well as any assignment or corporate change requests related to such procurements, up to the procurement values for the respective employee outlined in Appendix "B"- Authorization and Procurement Methods;

"Bid" means an offer or submission in response to a solicitation document;

"Bidder" means a supplier that submits a bid;

"Canadian-Made Good" means a good that meets any one of the following criteria:

- i. wholly manufactured or originating in Canada;

- ii. at least 51% of the total direct costs of producing or manufacturing the good have been incurred in Canada; or
- iii. labelled as "Made in Canada" or "Product of Canada".

"Canadian Service" means a service wholly provided by individuals (natural persons) located in Canada.

"City" means The Corporation of the City of Owen Sound;

"City Manager" means the Chief Administrative Officer of the City;

"Competitive Process" means either an open competition bid or an invitational competition bid;

"Confidential Information" means information of commercial value, the disclosure of which is likely to have the effect of either impairing the City's ability to obtain such information as is necessary to perform its statutory functions, or causing substantial harm to the competitive position of the supplier or other organization from which the information was obtained, unless the City is required by law to disclose such information;

"Construction" means the process of using labour to build, alter, repair, improve or demolish any structure, building or public improvement, and generally does not apply to routine maintenance, repair or operations of existing real property;

"Consulting Services" means the provision of expertise or strategic advice that is presented for consideration and decision-making, and is generally acquired to obtain information, advice, training or direct assistance;

"Contract" means a commitment by the City for the procurement of goods, services, construction, or consulting services from a supplier which may be evidenced by any of the following when issued to a supplier by a duly authorized employee of the City:

- i. An agreement executed by the supplier and the City; or
- ii. Purchase order

"Cooperative Purchasing" means a variety of arrangements whereby two or more publicly funded entities combine their requirements in a single procurement process to obtain advantages of volume purchases from the same supplier(s);

"Council" means the Council of the City;

"Department" means any department within the City;

“Director” means any employee whose position title includes “Director”, as well as any other senior leader designated as a Director by the City Manager from time to time.

“Disposal” means an act through which the City gives up title to property or ownership of goods;

“Emergency” means a situation, or the threat of an impending situation, which, may in the opinion of the purchasing agent, affect the environment, life, safety, health or welfare of the general public, or the property of the residents of the City, or an action taken to prevent serious damage, disruption of work, or to restore or to maintain essential service to a minimum level;

“Employee” means City of Owen Sound full-time employees, part-time employees, and students;

“Goods” includes supplies, equipment, materials, products, structures and fixtures to be delivered, installed or constructed;

“HST” means harmonized sales tax;

“Invitational Competition” means a competitive process in which an invitation to submit bids is issued to a minimum of three suppliers;

“Local Boards and Affiliates” means municipally or provincially established entities in which the City has a minority or majority share and where City Councillors may be members of the governing board for that entity (e.g., Owen Sound Police Services Board, Owen Sound & North Grey Union Public Library Board);

“Non-Standard Procurement” means the acquisition of goods, services, construction or consulting services through a process other than the process normally required for the type and procurement value of the goods, services, construction or consulting service set out in Sections 24 and 25;

“Ontario-Made Good” means a good that meets any one of the following criteria:

- i. it is wholly manufactured or originating in Ontario; or
- ii. at least 51% of the total direct costs of producing or manufacturing the good have been incurred in Ontario.

“Ontario Service” means a service wholly provided by individuals (natural persons) located in Ontario.

“Open Competition Bid” means the solicitation of bids through a publicly posted solicitation document;

“Personal information” refers to personal information as defined within the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M. 56;

“Procurement” or “Purchasing” means the acquisition of goods, services, construction or consulting services by purchasing, renting or leasing;

“Procurement Value” means the estimated amount (excluding taxes) for budget or planning purposes in acquiring particular goods, services, construction or consulting services, which amount may be higher, lower or equal to the actual cost of the goods, services, construction or consulting services when ultimately acquired. For greater certainty, when multi-year contracts are awarded for the acquisition of goods, services, construction or consulting services, the estimated value of the goods, services, construction or consulting services for such multi-year contracts is the estimated amount to be paid for the goods, services, construction or consulting services over the entire contract, and is not limited to the amount which may be payable in any particular budget year. The procurement value must include all anticipated costs to the City, including, as applicable, acquisition, maintenance, replacement, disposal, and training, delivery, installation and extension options, less applicable rebates or discounts and shall exclude HST or other taxes;

“Purchase Order” means the City’s written document issued by a duly authorized employee of the City to a supplier formalizing all the terms and conditions of the purchase and supply of the goods, services, construction or consulting Services; identified on the face of the purchase order;

“Purchasing Agent” means the employee designated as the City’s purchasing agent by the Director of Corporate Services;

“Purchasing Card” means a corporate credit card provided by the City to a duly authorized employee of the City for use as a payment method to purchase directly from suppliers where permitted under this policy and in accordance with a written cardholder agreement and applicable procedures;

“Services” means the furnishing of labour, time or effort by a supplier, which may involve the delivery or supply of products incidental to the provision of the services, and includes professional, construction or maintenance services;

“Solicitation Document” means the document issued by the City to solicit bids from suppliers;

“Standard Procurement” means the acquisition of goods, services, construction or consulting services set out in Sections 20-23;

“Strategic Leadership Team” consists of senior leaders in the organization who are appointed to the team by the City Manager at any given time;

“Supplier” means a person carrying on the business of providing goods, services, construction or consulting services;

“Specifications” means the detailed description of and written requirements and standards for goods, services, construction or consulting services and also includes any drawings, designs and models; and

“Standardization” is a management decision-making process that examines a specific, common need or requirement and then selects goods, services, construction, or consulting services that best meet that need to become the standard.

Policy

Authority and Responsibilities

7. General

- a. The Purchasing Agent will administer this policy.
- b. Any questions involving the meaning or application of this policy are to be submitted to the purchasing agent, who will resolve the question.
- c. Specific responsibilities pertaining to all stages of a procurement process, from the initial identification of requirements through to the management of contracts with suppliers, are detailed in this policy and the City’s procurement procedures. In addition to those specific responsibilities, the general roles and responsibilities delegated to the City’s elected officials, officers and employees are set out below.
- d. Where this policy delegates a power or duty to an officer or employee of the City, the delegation also applies to a person appointed by the City Manager or the delegate to act in the capacity of the delegate from time to time.
- e. Where a title to a position used in this policy no longer exists or is modified, the authorities assigned to the position may be exercised by a person deemed by the City Manager to have the responsibilities of the original position until such time as an amendment to this policy reflecting the applicable change in title is approved by Council.
- f. The approval authority for awarding of contracts for the procurement of goods, services and construction on behalf of the City is outlined in Appendix “B”- Authorization and Procurement Methods, attached to and forming part of this Policy.

- g. The approval for the Authorization limits for payment are outlined in Appendix "B" – Authorization and Procurement Methods, attached to and forming part of this policy.
- 8. Compliance
 - a. No contract or purchase shall be divided to avoid any requirements of this policy.
- 9. Council
 - a. In accordance with best practices in municipal procurement, Council recognizes the need for a clear separation of political and administrative functions in relation to the City's procurement operations as follows:
 - i. City Council is the ultimate authority for all expenditures. Council provides the authority for the initiation and completion of procurement acquisitions for goods and services through the approval of the annual operating budget, capital plan, resolutions or by-laws. Only Council has the authority to add or remove items from the approved annual operating budget or capital plan. Staff do not have authority to move funds between approved budgets, charge unrelated expenditures to a project budget, or use surplus funds from one approved project to offset deficits in another without express Council approval.
 - ii. To avoid the potential appearance of bias or political influence in procurement contract award decisions, members of Council will have no involvement in competitive procurement processes from the time those procurement processes have been initiated through the advertisement or issuance of the solicitation document until a contract has been entered into with the successful supplier, except where Council considers or approves the contract award in accordance with this policy.
- 10. City Manager
 - a. It is the role of the City Manager to oversee the City's administration. In fulfilling this role, the City Manager is responsible for:
 - i. ensuring that all employees adhere to this policy and procedures and shall address any non-compliance that the Director of Corporate Services has brought to their attention;
 - ii. exercising their approval authority for all procurement activity within the prescribed limits of this policy; and

- iii. delegating authority approval limits to staff in compliance with this policy and all applicable procedures.

11. Director of Corporate Services

- a. It is the role of the Director of Corporate Services to oversee the Corporate Services department. In fulfilling this role, the Director of Corporate Services is responsible for:
 - i. ensuring that all employees adhere to this policy and procedures and shall address any non-compliance that the Purchasing Agent has brought to their attention.
 - ii. exercising their approval authority for all procurement activity within the prescribed limits of this policy;
 - iii. delegating authority approval limits to staff in compliance with this policy and all applicable procedures; and
 - iv. provide support and guidance to the Purchasing Agent, as required.

12. Purchasing Agent

- a. It is the role of the Purchasing Agent to lead the City's procurement. In fulfilling this role, the Purchasing Agent is responsible for:
 - i. researching developments in Canadian public procurement requirements and best practices and, through collaboration with employees, recommending updates to this policy and developing the City's procurement procedures to reflect such developments and support the City's procurement goals and objectives;
 - ii. providing procurement advice and related services, including developing and maintaining the necessary forms and solicitation document templates, for the purpose of fulfilling the procurement needs of the City;
 - iii. developing procurement strategies and continually analyzing the City's business requirements and spending patterns to identify opportunities for more strategic sourcing, including:
 - the standardization of goods and services in conjunction with employees, where appropriate and feasible; and
 - the consolidation of all similar goods and services where appropriate and possible;
 - iv. ensuring the consistent application of procurement procedures and providing procurement services in an efficient and diligent manner;

- v. addressing and, where possible, resolving issues or concerns that arise in respect of a procurement process or the application and interpretation of this policy and the City's procurement procedures and seeking guidance and advice from the Strategic Leadership Team, as required;
- vi. ensuring compliance with this policy and reporting non-compliance, in writing, to the appropriate Director and/or the Director of Corporate Services where warranted;
- vii. providing appropriate orientation, training and tools to City employees involved in procurement activities; and
- viii. serving as the City's representative as a member of cooperative purchasing groups and organizations, where such membership is determined to be in the best interests of the City.

13. Directors

- a. It is the role of the Directors to ensure that their department's requirements for goods, services, construction or consulting services are met in accordance with the goals and objectives of this policy. In fulfilling this role, the Directors are responsible for:
 - i. exercising their approval authority for all procurement activity within the prescribed limits of this policy;
 - ii. delegating approval authority limits to staff in compliance with this policy and all applicable procedures;
 - iii. ensuring that all procurement activities and decisions are authorized by this policy and are carried out in accordance with the City's procurement procedures;
 - iv. monitoring all contract expenditures to ensure compliance with financial limits;
 - v. identifying and addressing non-compliance with this policy and applicable procedures within their departments; and
 - vi. upon discovery of instances of non-compliance, notifying and consulting with the Purchasing Agent to obtain advice with respect to mitigating potential risks to the City arising from the non-compliance.

14. Employees

- a. Employees are responsible for complying with this policy. Employees involved in procurement activities must clearly understand their

obligations and responsibilities under this policy and all applicable procedures, and should consult with the Purchasing Agent in respect of any questions regarding the application or interpretation of this policy or the procurement procedures.

15. Restricted Acts after Nomination Day

- a. Certain staff are delegated authority in the City's Delegation of Powers and Duties By-law to approve contract awards, which would not be permitted for approval by Council under Sections 275 (1) to (4.1) of the Municipal Act, 2001 (otherwise known as "Restricted Acts After Nomination Day").

Conduct and Conflicts of Interest Council and City Employees

16. Conduct

- a. The City's procurement activities must be conducted with integrity so as to maintain the public's trust. All procurement activities undertaken by the City must be conducted in accordance with applicable codes of conduct and with the *Municipal Conflict of Interest Act*, R.S.O. 1990, c. M.50, as applicable.

17. Conflict of Interest

- a. All participants in a procurement process, including any suppliers acting on the City's behalf, must declare any perceived, possible or actual conflicts of interest

18. Suppliers

- a. The City expects its suppliers to act with integrity and conduct business in an ethical manner. The City may refuse to do business with any supplier that:
 - i. has engaged in illegal or unethical bidding practices;
 - ii. has an actual or potential conflict of interest;
 - iii. has an unfair advantage in the procurement process; or
 - iv. fails to adhere to ethical business practices.
- b. Where a supplier is retained to participate in the development of a solicitation document or the specifications for inclusion in a solicitation document, that supplier will not be allowed to respond, directly or indirectly, to that solicitation document unless the Purchasing Agent is satisfied that there is not a reasonable alternative or that there is not a competitive advantage to be gained.

19. Illegal or unethical bidding practices

- a. Practices include:
 - i. bid-rigging, price-fixing, bribery or collusion or other behaviours or practices prohibited by federal or provincial statutes;
 - ii. attempting to gain favour or advantage by offering gifts or incentives to City officers and employees, members of Council or any other representative of the City;
 - iii. lobbying members of Council or City officers and employees or engaging in any prohibited communications during a Procurement process;
 - iv. submitting inaccurate or misleading information in response to a Procurement opportunity; and,
 - v. engaging in any other activity that compromises the City's ability to run a fair procurement process.
- b. The City will report any suspected cases of collusion or other bid-rigging offences under the *Competition Act*, R.S.C., 1985, c. C-34 to the Competition Bureau or to other relevant authorities.
- c. In providing goods, services, construction or consulting services to the City, suppliers are expected to adhere to ethical business practices, including:
 - i. performing all city contracts in a professional and competent manner and in accordance with the terms and conditions of the contract; and
 - ii. complying with all applicable laws, including safety and labour codes (both domestic and international as may be applicable).

Standard Procurement Methods

20. Methods of procurement

- a. All purchases of goods and services, save and except those outlined in Appendix "A" to this policy, shall be undertaken utilizing one of the following methods of procurement, using standardized documents.
- b. All invitational competitive bids and open competitive bids will be issued and received within the bidding portal, unless decided otherwise by the Purchasing Agent.
- c. The dollar figures set out in Sections 21, 22, and 23 exclude the non-refundable portion of HST. For multi-year contract awards, the

thresholds are determined by the total contract value, not the annual cost.

- d. Where the City is facilitating an acquisition for local boards and affiliates, the local boards and affiliates may elect to have the purchase approved by their board instead of the approval authority outlined in Appendix "B" – Authorization and Procurement Methods.

21. Direct Purchase

- a. Direct Purchases may be used when:
 - i. The dollar value of the goods or services is less than \$25,000; or
 - ii. The goods or services are not covered under an existing contract.
- b. Staff are encouraged to obtain three quotes wherever possible. Obtaining competitive quotes is considered good business practice and should be exercised.

22. Invitational competitive bid (Request for quotations)

- a. Request for quotations (RFQ) procedures will be used when:
 - i. The budget is between \$25,001 and \$125,000;
 - ii. The ability exists to detail what is being purchased;
 - iii. The department is responsible for providing detailed specifications to the Purchasing Agent. The Purchasing Agent shall incorporate the specification and facilitate the quotation process.
- b. All RFQ's will be issued and received within the bidding portal, unless decided otherwise by the Purchasing Agent.
- c. The RFQ method allows potential suppliers to be invited to participate in the quotation process. Departments are required to provide contact information for a minimum of three suppliers.
- d. Award will be to the lowest compliant supplier.
- e. Although a minimum of three quotes is sought in an RFQ, an open competitive process without a minimum number of bids is encouraged.

23. Open competitive bid

- a. Request for tenders (RFT)
 - i. RFT procedures shall be used when:
the budget is greater than \$125,001;

- the ability exists to detail what is being purchased;
 - ii. The department is responsible for providing detailed specifications to the Purchasing Agent. The Purchasing Agent shall incorporate the specification and facilitate the tendering process.
- b. Request for proposals (RFP)
 - i. RFP procedures shall be used when:
 - the solution to the requirement cannot be accurately specified innovative solutions are required
 - ii. The RFP method of purchase is a competitive method of purchase that may result in further negotiation with the short-listed and/or successful highest-ranked bidder prior to a contract being finalized.
- c. Requests for expression of interest (REOI)
 - i. Requests for expression of interest may be issued to obtain information on the availability and interest of suppliers of any goods or services.
 - ii. Requests for expression of interest are used to assess bidder capabilities, or to conduct market research, without the intention of evaluating the responses or awarding a contract.
 - iii. An REOI may not be used to pre-qualify a potential supplier and must not influence their chances of being a successful bidder on any subsequent purchasing opportunity. The information received may be used to develop future documents for a subsequent competitive process.
- d. Requests for Information (RFI)
 - i. RFI may be issued to provide staff with an understanding of potential solutions/needs.
 - ii. An RFI may be issued in advance of a formal bid process to assist in the development of a more definitive set of terms and conditions, scope of work/service and the selection of qualified bidders.
 - iii. RFI may or may not lead to a formal competitive bid process.
- e. Request for Supplier Qualifications (RFSQ)

- i. RFSQ may be issued to prequalify bidders for various projects or purchases. The purpose of an RFSQ is to determine whether the qualifications of a bidder, as required by the City, are at a level that will allow participation in a subsequent bidding opportunity that takes place as a direct result of the request for supplier qualifications.
- ii. A bidder may be pre-qualified by providing a compliant response to a request for supplier qualifications. Selection of pre-qualified bidders will be based on fully disclosed evaluation criteria, which may include experience with similar work; verification of applicable licenses and certificates; financial capability; and other criteria deemed important by the City.
- iii. As a result of pre-qualification, the City will only allow those pre-qualified Bidders to participate in the subsequent bidding process for the scope of work and/or services as specified in the RFSQ document.
- iv. Pre-qualification may be used on a project-specific basis or for a group of projects that are similar in scope for which the same category of supplier would be utilized.

Non-standard procurement methods

24. Single sourcing

- a. Single sourcing is a method of procurement whereby there is more than one supplier able to supply a required good or service, and a purchase order is issued or a contract awarded without a competitive bidding process. Single sourcing will be permitted if one or more of the following circumstances apply:
 - i. for the procurement of goods, services, construction or consulting services relating to matters with confidential information or privileged nature where the disclosure of those matters through an open competition could reasonably be expected to compromise government confidentiality, cause economic disruption or otherwise be contrary to the public interest;
 - ii. for the procurement of goods, services, construction or consulting services from a publicly funded agency or a non-profit organization;

- iii. for the procurement of goods, services, construction or consulting services through a vendor of record (VOR) program or buying group, where analysis supports best value;
 - iv. for the procurement of goods, services, construction or consulting services under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases;
 - v. for the procurement of a prototype for the procurement of goods, services, construction or consulting services to be developed in the course of, and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases; or,
 - vi. for the procurement of goods, services, construction or consulting services that is financed primarily from donations that are subject to conditions that are inconsistent with a standard procurement process conducted in accordance with this policy and applicable procedures.
- b. Any single source purchase with an amount between \$25,000 and \$124,999 must be submitted to the Purchasing Agent by the applicable Director. Approval will come from the Purchasing Agent in consultation with the Director of Corporate Services.

25. Sole Sourcing

- a. Sole Sourcing is available where:
- i. only one supplier is able to meet the requirements of a procurement in order to:
 - ensure compatibility with existing products;
 - recognize exclusive rights, such as exclusive licenses, copyright and patent rights; or
 - maintain specialized products that must be maintained by the manufacturer or its representative; or
 - ii. where there is an absence of competition for technical reasons and the goods, services, construction or consulting Services can only be supplied by one particular supplier and no alternative or substitute exists;
- b. Any Sole Source purchase with an amount between \$25,000 and \$124,999 must be submitted to the Purchasing Agent by the applicable

Director. Approval will come from the Purchasing Agent in consultation with the Director of Corporate Services.

Emergency Procurement

26. Conditions for use

- a. Notwithstanding any other provisions of this policy and provided time does not permit the use of a standard procurement process, goods, services, construction or consulting services may be purchased on an Emergency basis where they are required as a result of an unforeseen situation or an event occurs that is a threat to any of the following:
 - i. public health or safety;
 - ii. the maintenance of essential City services or to prevent the disruption of essential City services;
 - iii. the welfare of persons or of public property; or
 - iv. the security of the City's interests.

27. Approval Authority

- a. Where an emergency purchase is required as described above, the City Manager or Director of Corporate Services have the approval authority to direct the Purchasing Agent to issue a purchase order for the requirements.

28. Declared Emergency

- a. Where there is a declared municipal emergency in accordance with the City's emergency response plan, the Purchasing Agent or a member of the Strategic Leadership Team shall authorize any required purchases. This authority shall continue until the declared municipal emergency is terminated in accordance with the City's emergency response plan.

Agreements and Contracts

29. Form of Agreements and Contracts

- a. An Award pursuant to this Policy may be made by way of agreement, or Purchase Order in accordance with Appendix "B".

30. Exercise of Contract Extension

- a. Where a bid document for goods or services contains an option for renewal, the Purchasing Agent may authorize such option, provided that all of the following apply:

- i. the supplier's performance in supplying the goods or services is considered to have met the requirements of the contract;
- ii. the department agrees that exercising the renewal option is in the best interests of the City;
- iii. funding is available in appropriate accounts within the City Council approved budget, including authorized revisions, to meet the proposed expenditure;
- iv. the contract falls within the authority to award limitations outlined in Appendix "B".

31. Execution and Custody of Documents

- a. Applicable contracts and agreements which are outside of the procurement process are signed in accordance with the Delegation of Powers and Duties By-law.
- b. All original purchasing and contract documentation for the contracting of goods or services shall be retained in accordance with the Records and Information Management Policy.

32. Access to Information

- a. The disclosure of information received relevant to the issue of bid solicitations or the award of contracts emanating from bid solicitations shall be made by the appropriate officers in accordance with the provisions of the *Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990*, as amended, or as may otherwise be required by law.

33. Change Orders

- a. Where any contract for goods, services, construction or consulting services has been authorized under this policy, the Purchasing Agent may authorize disbursement of additional funds as follows:
 - i. are available within the relevant budget; and
 - ii. are required to complete works that are necessary as part of the original contract.

Reporting to Council

34. Awards requiring Council approval

- a. Reports requiring Council approval will be prepared by the Purchasing Agent, in consultation with the department. The following procurements are subject to Council approval:
 - i. When Provincial or Federal government requires Council to approve.
 - ii. The award cannot be accommodated within the approved budget and is greater than \$250,000.
 - iii. Single and sole source awards exceeding \$125,000.
 - iv. Council has directed explicitly that Council approve the award.
 - v. Any contract anticipated to be financed by debentures.
 - vi. Where authority to award has not been expressly delegated.

35. Emergency Procurement

- a. When the procurement value of the emergency procurement exceeds \$125,000, the Purchasing Agent shall provide a report to Council as soon as practical but no later than prior to the end of the quarter in which the emergency procurement took place.

36. Completed Project Over-Budget Reporting

- a. Completed projects over \$125,000 that went over budget by 20% or more of the awarded amount, including contingency, will be communicated by the Department Director in a separate information report (not within the bi-annual report) to Council when a project is formally closed by the project lead.

37. Bi-annual Delegated Authority Report

- a. The Purchasing Agent will provide a bi-annual report to Council through Committee for all contracts exceeding \$125,000 that were awarded pursuant to delegated authority as defined in Appendix "B" – Authorization and Procurement Methods. This report shall include an analysis of spend and procurement strategies.

38. Legal Claims

- a. No invitational competition or open competition will be awarded to any supplier which has a claim, or has instituted a legal proceeding against the City or against which the City has a claim, or has instituted a legal proceeding with respect to any previous contract, without prior approval of Council.

Supplier Inquiries

39. Request for debriefing

- a. Where the City has conducted a standard procurement process, unsuccessful bidders may request a debriefing from the Purchasing Agent. Unsuccessful bidders shall have 60 calendar days following the date of the contract award notification to request a debriefing.

40. All other inquiries

- a. All Bidder inquiries and/or complaints and/or protests, whether addressed to Council, a Director or any other employee shall be referred to the Purchasing Agent and handled in accordance with the applicable City procedures.

Contract Administration

41. Contract Management

- a. All Contracts must be managed by the respective Director acting as the project lead in accordance with this policy and all applicable procedures to ensure that both the City and the supplier fulfil the requirements of the contract. The Director must involve the Purchasing Agent in the management of contract disputes, as required by applicable procedures.

Unsolicited Proposals

42. Review and Approval

- a. All unsolicited proposals, including any offers for presentations or product/service trials submitted to the City with the expectation on the part of the submitter of obtaining consideration for an ensuing contract or acquisition by the City, must be directed to the Purchasing Agent for review and approval for acceptance.

43. Compliance

- a. Any Procurement resulting from the receipt of an unsolicited proposal must comply with the provisions of this policy.

44. Acquisition

- a. If it is determined that there is a legitimate need for the goods, services, construction or consulting services offered by way of an unsolicited proposal, then an acquisition process shall be conducted in accordance with this policy and all applicable procedures.

Cooperative Purchasing

45. Publicly Funded Agencies

- a. The City may participate with other publicly funded agencies in cooperative Purchasing for goods, services, construction or consulting Services when it is in the best interests of the City to do so, as determined by the Purchasing Agent
- b. In the event that the cooperative purchasing contract was led by a publicly funded agency other than the City, the procurement process must be consistent with the requirements of this policy and the resulting contract must permit the City to purchase from that supplier under the same terms and conditions.

Commitment

46. Climate Action Strategy

- a. The City is committed to the purchase of goods and services with due regard to the preservation of the natural environment and to encouraging the use of environmentally friendly products and services, except where it is not practicable to do so.
- b. All employees, in conjunction with the Purchasing Agent, are encouraged to seek additional ways of achieving the goal of being environmentally safe and responsible by thorough review of each Procurement process to ensure that, wherever possible and economically feasible, the City's solicitation document includes specifications that reflect environmentally friendly attributes of the goods and services, except where it is not practicable to do so.

47. Ontario-made / Canadian-made Goods and Services

- a. The City is committed to include in the procurement documents a mandatory eligibility requirement for vendors to confirm their commitment to meet or exceed a specified proportion of Ontario-made goods, Ontario services or Canadian-made goods and Canadian services as a part of the procurement, except where it is not practicable to do so.

Protection of Confidential/Personal Information

48. Requirement to safeguard

- a. In situations where a supplier may receive the City's confidential information as part of the provision of the goods, services, construction or consulting services, the City will ensure that the solicitation document and/or terms and conditions include requirements that the supplier safeguards the confidential information.

Disposal of Surplus Assets

49. Written report

- a. The Director shall submit to the Purchasing Agent, a written report of all City assets from their department, including but not limited to, furniture, vehicles, equipment, supplies, and other goods and material, which are deemed surplus or which have become obsolete, worn out, or otherwise incapable of use.

50. Approval authority

- a. The Purchasing Agent, shall have the approval authority to sell, exchange, or otherwise dispose of City assets declared as surplus or obsolete to the needs of the City. The Purchasing Agent may first offer the surplus assets to other departments. Any surplus assets not required by other departments and that are deemed by the Purchasing Agent as having a residual value may be disposed of by any of the following disposal methods:
 - i. by auction or solicitation; or
 - ii. by donation to a non-profit agency; or
 - iii. by recycling; or
 - iv. in the event that all efforts to dispose of the goods by sale are unsuccessful, by scrapping or destroying if recycling is unavailable.

Incorporation of Accessibility Design, Criteria and Features

51. Incorporation by default

- a. The City will promote, and incorporate, whenever possible, the requirements of the *Ontarians with Disabilities Act, 2001* (ODA), the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA), and specifically, Ontario Regulation 429-07 and Ontario Regulation 191-11 made under the AODA in procurement activities of the City, except where it is not practicable to do so.

Procedures, Templates and Forms

52. Related Documents

- a. In addition to this policy, the City has procedures, templates and forms for use during the procurement process. All tools for engaging in procurement activity will be maintained and updated by the Purchasing Agent as required.

Policy review

53. The Purchasing Agent will review this policy:
- a. every five (5) years to ensure effectiveness and compliance with current business processes; or
 - a. sooner, if required, based on legislative changes.
54. The Purchasing Agent is authorized to make such administrative changes to this policy as appropriate to keep the policy current. Any revision to the policy's intent must be presented to Council for consideration.

Related Information and Resources

Internal

- 55. Procurement of Goods and Services Procedure (in development)
- 56. Vendor Performance Procedure (in development)
- 57. Disposal of Surplus Goods Procedure (in development)
- 58. Change Order Procedure (in development)

External

- 59. [Accessibility for Ontarians with Disabilities Act, 2005, S.O. 2005, c. 11](#)
- 60. [Buy Ontario Act \(Public Sector Procurement\), 2025, S.O. 2025, c. 27, Sched. 1 | ontario.ca](#)
- 61. [Canada-European Union Comprehensive Economic and Trade Agreement \(CETA\)](#)
- 62. [Canadian Free Trade Agreement \(CFTA\)](#)
- 63. [Municipal Act, 2001, S.O. 2001, c. 25 | ontario.ca](#)
- 64. [Municipal Buy Ontario Procurement Directive](#)
- 65. [Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50 | ontario.ca](#)
- 66. [Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56 | ontario.ca](#)

Appendices

- 67. Appendix 'A' – Exclusions/Exceptions
- 68. Appendix 'B' – Authorization and Procurement Methods

Revision History

Authority	Date	Approval	Description of Amendment
Council	2026-07-13	By-law No. 2026-084	New, formerly By-law 2020-002
Choose an item.	Click or tap to enter a date.	Choose an item.	
Choose an item.	Click or tap to enter a date.	Choose an item.	

Appendix “A” to Policy AF009 - Exclusions / Exceptions

1. This policy applies to the procurement of all goods, services, construction or consulting services except those items set below:
 - a. Training and Education including:
 - i. staff training and professional development;
 - ii. memberships, and subscriptions, periodicals and books; and
 - iii. training and development including course development and delivery.
 - b. Employer’s General Expenses including:
 - i. employee expenses (professional dues / license renewals, meal allowances, travel, advances, misc.);
 - ii. petty cash replenishment and cash advances;
 - iii. workers safety insurance board payments;
 - iv. health benefits, medical notes and exams;
 - v. tax remittances;
 - vi. insurance premiums;
 - vii. damage claims;
 - viii. legal settlements;
 - ix. arbitration awards;
 - x. charges to, and from, other publicly funded agencies or administrative authorities mandated by the government;
 - xi. Council approved grants and donations;
 - xii. employee, Councillor, and Mayor’s income (including sick leave gratuity, vacation leave, severance);
 - xiii. payroll deduction remittances;
 - xiv. honorariums;
 - xv. debentures, debt and sinking funds;
 - xvi. payments to Local Boards and Affiliates;
 - xvii. real property including land, building, leasehold interests, easements, encroachments, license and rentals;
 - xviii. investments;

- xix. refunds (including building permit refunds, property tax refunds, and refunds for cancelled services, programs or events);
- xx. license fees (regular maintenance fees for vehicles, elevators, communications, software etc);
- xxi. utilities (including water, sewer, hydro, natural gas, telecommunications, postage and cable service);
- xxii. temporary staffing agencies and services;
- xxiii. election equipment, materials and supplies;
- xxiv. media / advertising; and
- xxv. software upgrades / maintenance costs;
- c. Special Services including:
 - i. legal counsel fees;
 - ii. financial services related to financial assets and liabilities, including banking services, ancillary advisory and information services as well as management of investments whether or not delivered by a financial institution;
 - iii. witness fees;
 - iv. committee fees;
 - v. arbitrator fees;
 - vi. appraisal fees;
 - vii. real estate fees;
 - viii. land transfer tax;
 - ix. registry office fees;
 - x. insurance claims;
 - xi. revenue collected on behalf of a third party; and
 - xii. collection agency fees;
- d. acquisitions which will be reimbursed in full by a third party;
- e. acquisitions in which the supply is controlled by a statutory monopoly;
- f. work to be performed under the provisions of a warranty or guarantee held in respect to the original work;
- g. acquisitions purchased on a commodity market;
- h. acquisitions related to cultural or artistic fields, including:

- i. events supporting local non-profit organizations;
 - ii. entertainers for theatre or special events;
 - iii. original works of art; and
 - iv. antiques or artifacts;
- i. sponsorships;
- j. construction costs of developer build parks when the City is reimbursing a developer for construction costs related to a park in the early stages of a subdivision development; and
- k. additional deliveries by the original supplier of the goods, services, consulting or construction that were not included in the initial procurement, if a change in supplier:
 - i. cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and
 - ii. would cause significant inconvenience or substantial duplication of costs for the City.

Appendix “B” to Policy AF009 - Authorization and Procurement Methods

Method	Procurement Value	Typical Format	Minimum Number of Suppliers	Authority to Issue Procurement	Solicitation Method	Authority to Approve	Authority to Execute Agreement	Bi-Annual Report	Payment Method
Direct Purchase									
Goods, Services or Construction	Up to \$25,000	Informal Communication (e.g. phone or email)	Single	Department Directed	Email, Quote, Estimate	As designated by Department Director	As designated by Department Director Purchasing Agent if PO	No	P-Card Invoice or PO. A PO or Agreement is recommended for purchases over \$10,000 in value.
Invitational Competitive Bid									
Goods, Services or Construction	\$25,000 - \$50,000	Invitational RFQ	3 quotes	Purchasing	Bidding System	As designated by Department Director	Purchasing Agent	No	PO or Formal Agreement
Goods, Services or Construction	\$50,001 - \$125,000	Invitational RFQ	3 quotes	Purchasing	Bidding System	As designated by Department Director	Director of Corporate Services	No	PO or Formal Agreement
Open Competitive Bid									
Goods, Services or Construction	\$125,000 - \$250,000	RFP, or RFT	Open Competition	Purchasing	Bidding System	Director of Corporate Services or City Manager	Director of Corporate Services or City Manager	Yes	PO or Formal Agreement
Goods, Services or Construction	Greater than \$125,000 (within budget)	RFP, or RFT	Open Competition	Purchasing	Bidding System	Director of Corporate Services or City Manager	Director of Corporate Services or City Manager	Yes	PO or Formal Agreement
Goods, Services or Construction	Greater than \$250,000 (not within budget)	RFP, or RFT	Open Competition	Purchasing	Bidding System	Council	Mayor and Clerk	No	PO or Formal Agreement
Non-Standard Procurement									
Single or Sole Sourcing	\$25,000 - \$125,000	Formal Quotation	Single	Department Directed	Email, Quote, Estimate	Purchasing Agent and Director of Corporate Services	Purchasing Agent	Yes	PO or Formal Agreement
Single or Sole Sourcing	Greater than \$125,000	Formal Quotation	Single	Department Directed	Email, Quote, Estimate	Council	Mayor and Clerk	No	PO or Formal Agreement
Emergency	\$25,000 - \$125,000	Formal Quotation	Single	Department Directed	Email, Quote, Estimate	Department Director and Director of Corporate Services	Director of Corporate Services or City Manager	Yes	PO or Formal Agreement
Emergency	Greater than \$125,000	Formal Quotation	Single	Department Directed	Email, Quote, Estimate	Director of Corporate Services or City Manager	Director of Corporate Services or City Manager	No	Purchase Order or Formal Agreement