



County of Peterborough

Policy Manual

Department:	Finance	Approved Leadership Team:	November 21, 2019
Policy #:	FI-30	Originally Approved by Council:	December 18, 2019
Subject:	Purchasing of Goods and Services	Revised by Council:	
Related By-laws:	2019-105		

Purpose:

This policy will ensure openness, accountability, and transparency of County’s purchasing while protecting the financial best interest of the County of Peterborough.

This policy will outline the guiding principles of public procurement and the approach that the County of Peterborough, and its operating departments will take when procuring goods and services. The detailed purchasing procedures shall be consulted prior to proceeding with any procurement.

The County shall:

- Encourage competition amongst suppliers by using an open, transparent, and fair process;
- Assist and provide direction to Staff, Vendors, and Council relating to the procurement process;
- Where practicable, provide accessibility for persons with disabilities when purchasing goods, services, and construction;
- Be environmentally conscious through the purchase of goods and services; and
- Strive to ensure ethical purchasing practices are used by all staff.

Scope:

This policy applies to all Staff, Council and Boards of the County of Peterborough with respect to the County’s procurement activities.

Policy:

Attached pages.

Review Cycle:

This Policy will be reviewed every 5 years or earlier, to evaluate its effectiveness.

Policy FI-30
Purchasing of Goods and Services Policy

Procedures:

The Treasurer shall have the authority to develop procedures to implement this policy in association with the Senior Management Team.

The Purchasing Procedures will be approved by the Senior Management Team and are to be used as instruction for staff when purchasing goods or services in compliance with this policy.

The Treasurer will administer this policy.

Any question involving the meaning or application of this policy is to be submitted to the Treasurer who will resolve the question.

No contract or purchase shall be divided to avoid any requirements of this policy.

Policy FI-30
Purchasing of Goods and Services Policy

Table of Contents

1 Definitions and Interpretations5
1.1 Definitions.....5
1.2 Interpretations.....8
2 Statutes.....9
3 Severability9
4 Principles and Goals9
5 General Conditions & Policy Objectives.....10
5.1 Applicability & Exceptions.....10
5.2 Where Exceptions Apply.....10
5.3 No Local Preference10
5.4 Tie-Break Mechanism.....10
5.5 Co-operative Purchasing10
5.6 Environmental Purchasing.....10
5.7 Code of Conduct/Ethics11
5.8 Directive to Employees11
5.9 Directive to Vendors and Bidders11
5.10 Commitment11
5.11 Rejection of Bid when County/Bidder Relationship Impaired11
5.12 Fairness.....12
5.13 General Purchase Requirement12
5.14 Public Agencies12
5.15 Contract Splitting13
5.16 No Employment Relationship13
5.17 Gifts13
5.18 Accessibility13
6 Requirement for Approved Funds13
7 Authority and Responsibilities14
7.1 Council.....14
7.2 Council Approval Required14
7.3 General Responsibilities14
7.4 Treasurer14
7.5 Department Heads14
8 Co-Operative or Joint Ventures.....14
9 Unsolicited Proposals15
10 In-House Bids15
11 Developer Financed Capital.....15
12 Insurance Claims15
13 Request for Expressions of Interest.....15
14 Exempt Procurements15
15 Exceptions for Non-Competitive Procurements15
15.1 Allowable Exceptions: Limited Tendering16
15.2 Non-Competitive Procurement Approval17
16 Methods of Procurement18

Policy FI-30

Purchasing of Goods and Services Policy

16.1	Market Research and Engagement	18
16.2	Low Value Purchase.....	18
16.3	Request for Quotation – Informal (\$10,000 to under \$15,000)	19
16.4	Request for Quotation – Formal (\$15,000 to under \$30,000)	19
16.5	Request for Tender - \$30,000 or Greater	19
16.6	Request for Proposals	19
16.7	Competitive Dialogue / Best and Final Offer Process	19
16.8	Vendor of Record Arrangement.....	20
17	Bid Irregularity.....	21
18	Procurement Process Notice	22
19	Electronic Bidding	22
20	Electronic Auctions	22
21	Contracts	22
22	Contract Award Notice	22
23	Vendor Debriefings	23
24	Vendor Performance Monitoring	23
25	Change Orders and Amendments to Contracts	23
26	Purchasing Card Program	24
27	Disposal of Surplus Items and Real Property	25
28	Complaints.....	25
Appendix A	– List of Items Exempt from the Policy	27
Appendix B	- Purchasing Process, Circumstances for Use and Goals.....	29
Appendix C	Authorizations.....	32
Appendix D	Bid Irregularities Contained within Paper Bids	33
Appendix E	Bid Irregularities Contained within Bids Applicable to Electronic Bids Only	35

Policy FI-30
Purchasing of Goods and Services Policy

1 Definitions and Interpretations

For the purposes of this document the following shall have the indicated meanings unless the context otherwise requires:

1.1 Definitions

“Bid” means an offer or submission from a Vendor in response to a Competitive Process.

“Bid Board” means the communication vehicle through which procurement notices and other information on Competitive Processes is relayed to Vendors – namely <https://www.bidsandtenders.ca>.

“Bid Deposit” means security to guarantee that the successful Vendor will enter into a formal Contract with the County as a result of a Competitive Process.

“Bidder” means any Vendor that participates in a Competitive Process.

“Blanket Purchase Order” is a type of Contract. It involves the purchase of Goods or Services that will be required frequently or repetitively, and where either the exact quantity of the Goods or Services required is not precisely known, or the time period during which the Goods or Services is to be provided is not precisely determined. In either case, maximums on both the total price of the Goods or Services and the time period which the Goods or Services is to be supplied are specified.

“Budgetary Appropriation” means the monetary amount allocated by the County for the annual purchase of Goods and Services by the County.

“CETA” means the Comprehensive Economic and Trade Agreement between Canada and the European Union.

“CETA Threshold” means the threshold at which Chapter 19 of the Comprehensive Economic and Trade Agreement will apply to procurement – namely \$365,700 or greater for Goods or Services, excluding Construction; or (ii) \$9,100,000 for Construction.

“CFTA” means the Canadian Free Trade Agreement

“CFTA Threshold” means the threshold at which Chapter 5 of the Canadian Free Trade Agreement will apply to a procurement – namely \$101,100 or greater for Goods or Services, excluding Construction; or (ii) \$252,700 or greater for Construction.

“Chief Administrative Officer” or **“CAO”** means the County’s Administrator.

“Clerk” means the appointed County’s Clerk, or Deputy-Clerk.

“Competitive Process” means any competitive Procurement Process required by this Policy, including a Request for Qualifications, Request for Quotations, Request for Tenders, or Request for Proposals.

“Conflict of Interest” refers to a situation in which private interests or personal considerations may affect an Employee’s or Vendor’s judgment in acting in the best interest of the County. It includes using an Employee’s or Vendor’s position, confidential information, or corporate time, material, or facilities for private gain or advancement, or the expectation of private gain or advancement.

Policy FI-30

Purchasing of Goods and Services Policy

“Construction” means a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work.

“Contract” means binding written agreement between two or more parties (i.e., the County and a Vendor).

“Co-operative Purchasing” means the participation of two or more public agencies as purchasers in a Competitive Process.

“Council” means the Council of the Corporation of the County of Peterborough.

“County” means the Corporation of the County of Peterborough, its successors and assigns.

“Department Head” means the head of any County Department.

“Designated Official” means the Treasurer, their authorized delegate or such official as may be appointed from time to time by the Chief Administrative Officer to act on behalf of the County in accordance with the provisions of this Policy.

“Direct Acquisition” is a Procurement Process in which a Vendor is approached concerning the purchase of Goods or Services, and the Goods or Services are purchased without a specific Competitive Process governing that purchase.

“Employee” means an employee or contract staff member of the County but does not include councilors.

“Expression of Interest” means a Vendor’s response to a Request for Expressions of Interest.

“Formal Quotation” means a price quotation (fixed as to the total price or on a unit basis or both) for specific and defined Goods or Services that is received from a Bidder in writing in response to a Request for Quotation (Formal).

“Forms” mean approved County documents containing terms and conditions issued by the Procurement Department, including the Blanket Purchase Order, the Purchase Order, the Request for Proposal, the Request for Quotation, and the Request for Tender.

“Goods” means moveable property (including the costs of installing, operating, maintaining, or manufacturing such moveable property), including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general Construction Contract.

“Informal Quotation” means a price quotation (fixed as to the total price or on a unit basis or both) for specific and defined Goods or Services that is received from a Bidder via telephone, fax, in writing, or by any other method of communication in response to a Request for Quotation (Informal).

“In-house Bid” means a bid by internal staff.

“Plan Takers List” means a list provided for information purposes only as a convenience to potential Bidders for County procurement requests. Such information is provided “as is”. The County makes no

Policy FI-30

Purchasing of Goods and Services Policy

representation or warranty that the information is current, accurate or complete, and the County accepts no liability for any error or omission in the information.

“Policy” means this Purchasing of Goods and Services Policy, including its appendices.

“Purchasing Card” means a credit or similar card for the procurement of Goods and Services pursuant to Section 26.

“Procurement Process” is a process for the selection of a Vendor and the award of a Contract for the purchase of Goods or Services. There are several types of Procurement Processes referenced in this Policy, including: Direct Acquisition; Request for Quotation (Informal or Formal); Request for Tender; and Request for Proposals.

“Proposal” means a written offer to provide Goods or Services that is received from a Bidder as part of a Request for Proposals.

“Public Agency” means any municipal, provincial, or federal subdivision thereof, including any local government or economic development department supported by tax dollars.

“Purchase Order” means a written offer from the County in an approved form to purchase Goods or Services subject to stated terms and conditions (and may include written acceptance of such an offer from the Vendor, if applicable).

“Purchasing Coordinator” means an individual working with the Procurement Department who is responsible for the purchase of Goods and Services, as provided in this Policy.

“Quotation” means either an Informal Quotation or Formal Quotation, as applicable from the context.

“Real Property” means property that for the purpose of this Policy includes lands, buildings, tenements and any interest, estate or right of easement affecting same.

“Request for Expressions of Interest” is a process in which the County requests potential Vendors to register their interest in supplying Goods or Services. It usually consists of a document describing requirements or specifications and seeking information from Vendors that demonstrate their ability to meet those requirements. It is not a Competitive Process.

“Request for Information” means a process whose purpose is to collect written information about the capabilities of various Vendors. Normally it follows a format that can be used for comparative purposes. It is not a Competitive Process.

“Request for Proposals” is a competitive Procurement Process in which potential Vendors are invited to propose solutions or methods for particular projects (where creative solutions are sought by the County) and evaluated on both price and non-price factors, and negotiation for an eventual Contract may occur as a result of the submission of Proposals.

“Request for Qualifications” means a competitive Procurement Process whose purpose is to qualify Vendors to participate in future Procurement Processes, as specified in the request for qualification.

“Request for Quotations” is a competitive Procurement Process in which several potential Vendors are approached to provide price quotations (fixed as to the total price or on a unit basis or both) for specific and defined Goods or Services. This process may request Formal Quotations or Informal Quotations.

Policy FI-30

Purchasing of Goods and Services Policy

“Request for Tenders” is a competitive Procurement Process in which potential Vendors submit Bids to supply a defined quantity and quality of Goods or Services, with all of the material terms, conditions and specifications pre-set (with the exception of the price), and a Contract is formed through selection of one of the Bids submitted without any further negotiation.

“Services” means the delivery of intangible products, such as professional services, and includes consulting services. References in this Policy to Services will generally include Construction except to the extent that specific requirements are specified for Construction.

“Standing Orders” are Contracts for Goods and/or Services used on a regular basis in the day-to-day operations of the County.

“Surplus Items” items which have been deemed by the Department Head as surplus to the departments needs and which have been offered to other County departments prior to being deemed as surplus.

“Tender” means a written offer, in a specified form, to provide Goods or Services that is received from a Bidder in response to a Request for Tenders.

“Total Acquisition Cost” means the full cost to acquire particular Goods or Services, including acquisition, operating and disposal as well as the consideration of quality, service and availability.

“Treasurer” means the appointed County’s Treasurer, or Deputy Treasurer.

“Two-envelope approach” means a process in which a bid is submitted in two sealed envelopes. The technical and qualitative information is submitted in the first envelope and the price information is provided in the second envelope. The second envelope is only opened if the first envelope shows the bidder to be qualified, compliant and meeting the minimum evaluation rating, if so established.

“Vendor” means a supplier of Goods or Services, or a contractor in the case of Construction.

“Vendor of Record” means a Vendor that has been authorized to provide Goods or Services pursuant to a specific Vendor of Record Arrangement.

“Vendor of Record Arrangement” means a specific arrangement arising out of a Competitive Process (usually a Request for Qualification), in which one or more qualified Vendors are authorized to provide Goods or Services for a defined period on certain terms and conditions.

“Vendor of Record Ceiling Price” means the maximum value per assignment, or per multiple project-related assignments, under which the County may use a specific Vendor of Record Arrangement to award a Contract.

“Warden” means the elected head of the Council.

1.2 Interpretations

Where an official of the County is authorized to do any act pursuant to this Policy, such act may be done by such official’s authorized delegate.

The headings contained in this Policy are for reference only.

A word interpreted in the singular number has a corresponding meaning when used in the plural.

Policy FI-30

Purchasing of Goods and Services Policy

Where dollar value limits are identified for Goods and/or Services, as referenced in Section 16 of this Policy, the dollar value limits listed exclude taxes.

Requirements for documents to be “in writing”, “written” or similar includes documents in electronic form (provided that a paper copy of same can be readily created, such as e-mail messages, PDF documents, or electronic submissions through electronic bidding).

2 Statutes

Specific references to laws in this Policy are meant to refer to the current laws applicable within the Province of Ontario as at the time the Policy was adopted, and encompass any amendments thereto and any successor legislation.

3 Severability

If a court or tribunal of competent jurisdiction declares any portion of this Policy to be illegal or unenforceable, that portion of this Policy will be considered to be severed from the balance of the Policy, which will continue to operate in full force.

4 Principles and Goals

The County has adopted the following purchasing principles and goals for the acquisition of all Goods and Services:

- a) To procure by purchase, rental or lease the required quality and quantity of Goods and Services in an efficient manner and without favouritism.
- b) To ensure acquisition of Goods and Services through the application of the highest standards of business ethics.
- c) To encourage open competitive bidding on all acquisition and disposal of Goods and Services, where practical.
- d) To consider Total Acquisition Costs, rather than the lowest price submitted.
- e) To operate a Purchasing Division for the purchase of Goods and Services through the Finance Department.
- f) To coordinate the acquisition of like Goods and Services required by more than one department or Township to take advantage of purchasing power.
- g) To encourage the procurement of Goods and Services with due regard to the preservation of the natural environment and the promotion of waste reduction and recycling of waste materials.
- h) When procuring Goods, Services and facilities, the County will comply with the requirements of the Ontarians with Disabilities Act, 2001, the Accessibility for Ontarians with Disabilities Act, 2005 and its associated standards enacted through regulation, as well as related County policies.
- i) This Policy will be reviewed every 5 years or earlier, to evaluate its effectiveness.

Policy FI-30

Purchasing of Goods and Services Policy

5 General Conditions & Policy Objectives

5.1 Applicability & Exceptions

All Goods and Services required by the County shall be purchased in accordance with this Policy, and all Goods and Services no longer required by the County shall be disposed of in accordance with this Policy unless:

- a. The Council directs that any particular purchase shall be carried out in some other manner;
- b. An exemption to this Policy applies (Section 14); or
- c. Any applicable law requires that the purchase of Goods or Services be carried out in some other manner.

5.2 Where Exceptions Apply

Where a circumstance mentioned in Section 5.1 occurs, the purchase of those Goods or Services shall be carried out in accordance with the Council resolution or the applicable law, as the case may be, and the provisions of this Policy shall in all other regards continue to apply to the purchase with all necessary modifications.

5.3 No Local Preference

In accordance with the *Discriminatory Business Practices Act* and applicable trade treaty commitments, there will be no local preference for the purchase of Goods or Services.

5.4 Tie-Break Mechanism

Unless the Competitive Procurement document specifies a tie-break mechanism (e.g., in a Request for Proposal, where both price and non-price factors are evaluated), a tie shall be broken by coin toss or by draw of names from a hat – provided that the Purchasing Coordinator and at least two members of the User Division are present.

5.5 Co-operative Purchasing

The Purchasing Department and Department Head are hereby authorized to participate in co-operative purchasing arrangements with other municipalities, counties/regions, associations, local boards and public agencies within the Province of Ontario. The procurement policies or procurement by-law of the host agency will apply upon the Purchasing Coordinator and Department Head(s) satisfying themselves that the host agency will be proceeding to the open market to obtain competitive pricing via a fair process. Award approvals of all Co-operative Purchasing contracts shall be in accordance with the Purchasing Procedures. Notice of Participation in cooperative purchases will be posted annually to the County's website in accordance with the requirements of CETA and CFTA.

5.6 Environmental Purchasing

The Procurement Department shall encourage, wherever possible, specifications which provide for expanded use of durable, reusable Goods, and Goods which contain the maximum post-consumer waste and/or recyclable content, without affecting the intended use of the Goods or Services. Specifications and evaluation shall encourage the purchase of Goods and Services that maximize energy efficiency and minimize carbon emissions into the environment.

Policy FI-30

Purchasing of Goods and Services Policy

5.7 Code of Conduct/Ethics

In addition to Conflict of Interest as defined in this Policy and the Municipal Conflict of Interest Act for elected officials, the County Code of Conduct Policy CORP-01 shall apply to all Employees and members of Council.

5.8 Directive to Employees

All Employees of the County shall comply with the financial and policy controls meeting the audit requirements of the County to ensure that those responsible for requisitioning and purchasing Goods or Services are held accountable for their actions and decisions. Any Employee who intentionally and knowingly acquires or disposes of any Goods and Services for the County in contravention of any section of this Policy, or any applicable law or statute, shall be subject to disciplinary actions as applicable by this Policy or the law. The purchase, directly or indirectly, of any Goods or Services from any County employee or elected official is prohibited unless otherwise approved by Council.

5.9 Directive to Vendors and Bidders

The County requires Vendors and Bidders to comply with applicable laws. Failure to comply with applicable laws in relation to a Competitive Process or a Contract with the County may result in the immediate cessation of business with the County and the appropriate authorities will be notified.

5.10 Commitment

No expenditure or commitment shall be incurred or made and no account shall be paid by the County for Goods and Services, except as authorized in accordance with this Policy or approved by Council.

5.11 Rejection of Bid when County/Bidder Relationship Impaired

- 5.11.1. The County may reject a Bid from a Supplier where in the opinion of the Treasurer in consultation with the CAO, the commercial relationship between the County and the Supplier, including any sub-contractor the Supplier intends to use, has been impaired by the act(s) or omission(s) of the Supplier or sub-contractor, within the five-year period immediately preceding the date on which the Bid is to be awarded.
- 5.11.2. The act(s) or omission(s) that are deemed to have impaired the commercial relationship include, but are not limited to:
 - a. Threatening litigation, or pursuing litigation against the County, in relation to any previous Contract awarded to the Supplier by the County, threatening litigation means transmitting a written threat to commence an arbitration action, application or other judicial proceeding;
 - b. Being a Supplier against whom the County is pursuing litigation;
 - c. A claim has been made against the County by the Supplier under a surety bond or security deposit submitted by the Supplier, such as a Bid Deposit, Performance Bond or Materials and Labour Bond;
 - d. The Supplier has not performed satisfactorily under prior or current Contracts or has refused to follow reasonable directions of the County or to cure a default under any Contract with the County;

Policy FI-30

Purchasing of Goods and Services Policy

- e. The Supplier has communicated, directly or indirectly, with any other Supplier about the preparation of the Supplier's Bid for the same work; and
 - f. The Supplier or any person or Company that is affiliated, associated or controlled, as defined in the Canadian Business Corporations Act, R.S.C., 1985, c.C-44, as amended, by the Supplier, has been convicted of an offence under the Criminal Code, as amended, or other legislation, including but not limited to legislation in respect of taxation, financial securities; environmental protection, and health and safety.
- 5.11.3. The County reserves the right to reject a Bid from a Supplier, or from any person or Company that is affiliated, associated or controlled, as defined in the Canadian Business Corporations Act, R.S.C., 1985, c.C-44, as amended, by the Supplier that is indebted to the County, except in relation to property taxes that are not in default. In accordance with applicable law. In accordance with applicable laws, the Treasurer in consultation with the CAO may choose to accept a Bid and exercise the County's legal or equitable right to deduct the indebted amount from amounts owing to the Supplier.

5.12 Fairness

Councillors and Employees must not:

- a. Purchase any Goods and Services for personal use in representation of the County;
- b. Purchase or offer to purchase, on behalf of the County, any Goods and Services, except in accordance with this Policy;
- c. Knowingly cause, permit or omit anything to be done or communicated to anyone which is likely to cause any potential Vendor to have an unfair advantage or disadvantage in obtaining a Contract for the supply of Goods or Services to the County, or any other municipality, Public Agency or public body involved in the purchase of Goods or Services either jointly or in cooperation with the County; or
- d. Knowingly cause, permit or omit anything to be done which will jeopardize the legal validity or fairness of any purchase of Goods or Services under this Policy, or which might subject the County to any claim, demand, action or proceeding as a result.

5.13 General Purchase Requirement

No Employee shall purchase Goods or Services unless:

- a. The Goods or Services are legitimately required for the purposes of the County (or the Public Agency on whose behalf the purchase is being undertaken); and
- b. The funds for the purchase of the Goods or Services are available within the departmental operating budget or other applicable budget or the purchase is expressly made subject to funding approval of the Council (or the Public Agency on whose behalf the purchase is being undertaken).

5.14 Public Agencies

Where the authority to enter into a Contract for the purchase of Goods or Services is a decision which is solely within the jurisdiction of a Public Agency, that Public Agency may request that the County provide the services of the Procurement Department to allow the Public Agency to avail

Policy FI-30

Purchasing of Goods and Services Policy

itself of this Policy. In those circumstances, the provisions of this Policy continue to apply to the conduct of the Procurement Department.

5.15 Contract Splitting

Subdividing, splitting or otherwise structuring procurement requirements or contracts in order to reduce the procurement value or in any way circumvent the requirements or intent of this Policy is not permissible.

5.16 No Employment Relationship

The County will reject all Purchase Orders for Services where the Services could result in the establishment of an employment relationship between the County and the Vendor (or the Vendor's personnel).

5.17 Gifts

Any Employee who has the authority to develop, issue or approve a Request for Quotations, Request for Proposals or Request for Tenders shall not accept any gifts from a Vendor.

5.18 Accessibility

When preparing the specifications, the originating Department shall consider the requirements of the Ontarians with Disabilities Act 2001, as amended, and the Accessibility for Ontarians with Disabilities Act 2005, as amended, and apply those requirements with respect to procuring Deliverables and in the development of the Specifications.

6 Requirement for Approved Funds

Net Departmental expenditures are authorized by Council each year as part of the budget process. Pending Council's approval of proposed budgetary estimates, Department Heads are authorized to spend up to 50% of the previous year's approved operating budget. Department Heads are not authorized to overrun net departmental operating budgets, except in accordance with this Policy.

The exercise of authority to award a Contract is subject to the identification and availability of sufficient funds in appropriate accounts within the Council approved operating budget.

Where Goods and Services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a Contract is subject to:

- a. The identification and availability of sufficient funds in appropriate accounts for the current year within Council approved Budgets, and
- b. The requirement for the Goods or Services will continue to exist in subsequent years and, in the opinion of the Treasurer, the required funding can reasonably be expected to be made available. The Treasurer may reject all purchase requests for which sufficient funds are not available and identified. If the Department Head advises the Treasurer that the deficiency is minimal and alternative funding has been identified, the purchase request may proceed provided appropriate authorizations are met in accordance with this Policy.

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

Policy FI-30
Purchasing of Goods and Services Policy

7 Authority and Responsibilities

7.1 Council

Council has the ultimate authority for all expenditures. Council provides the authority to Staff for the initiation and completion of procurement processes for goods, services and construction through the authorization of annual budgets or resolutions.

7.2 Council Approval Required

Despite any other provisions of this Policy, the following procurements, over \$30,000, excluding taxes, are subject to prior Council approval:

- a. Any acquisition of goods or services that is not already approved in the current year's budget, such as items requiring pre-budget approval or post-budget amendments, must be reported to Council in order to have the expenditure authorized via resolution
- b. Where the net revenue amount proposed for acceptance is lower than the Council approved budget
- c. Any contract where the award is not being recommended to the lowest-priced compliant bidder, with the exception of a contract award pursuant to the terms of a Request for Proposals
- d. Any contract anticipated to be financed by debentures

Purchasing will provide a report to Council on a monthly basis outlining all awards that fall within Staff Authorized Awards in excess of \$30,000.

7.3 General Responsibilities

Procurement shall be subject to all applicable County policies and by-laws, any specific provisions of the Municipal Act 2001, and all other relevant Federal and Provincial legislation.

7.4 Treasurer

The Treasurer is hereby given the responsibility of operating a Procurement Division on behalf of the County in accordance with the requirements of this Policy.

7.5 Department Heads

Department Heads shall ensure compliance to this policy.

8 Co-Operative or Joint Ventures

The County may participate with other Government agencies or public authorities in co-operative procurement/acquisition within public sector contracts and consortiums whenever it is approved by the Purchasing Coordinator, and is determined to be in the best interest of the County to do so and is within the approval levels set out herein. The ability to withdraw from a county lead procurement process after bid closing shall only be upon receipt of council or board resolution from the participating agency or public authority.

Policy FI-30

Purchasing of Goods and Services Policy

9 Unsolicited Proposals

Unsolicited Proposals received by the County shall be reviewed by the Purchasing Coordinator/ Treasurer. Any procurement activity resulting from the receipt of an unsolicited Proposal shall comply with the provisions of this Policy. A Contract resulting from an unsolicited Proposal shall be awarded on a non-competitive basis only if the procurement requirements fall within Section 14 or 15.

10 In-House Bids

Council may direct that an in house Bid be considered. The terms and conditions for such a bid will require approval by Council prior to the issue of an In-house Bid request. Any terms and conditions approved by Council will be conveyed to any other Bidders.

11 Developer Financed Capital

An independent developer may be developing a project in conjunction with the County. If the developer has requested in writing the use of a particular Vendor for Services being performed on a project for which the developer is funding the entire cost, no Procurement Process shall be required, provided that the Vendor is acceptable to the County. Other requirements of this Policy will apply including the establishment of a Contract or Purchase Order with the developer's Vendor.

12 Insurance Claims

Where an insurance claim has been made and a payment amount has been settled with the County, the Procurement Department shall obtain pricing for replacement Goods (where applicable) in accordance with the approval levels set out in this Policy and shall report for approval to the CAO.

13 Request for Expressions of Interest

A Department Head with the Purchasing Coordinator may conduct a Request for Expressions of Interest for the purposes of determining the availability of Vendors to supply Goods or Services. The submission of an Expression of Interest does not create any contractual obligation between the County and the interested Vendor. Expression of Interests should be documented for recording, auditing and filing, and to be used for reference purposes.

14 Exempt Procurements

Notwithstanding any other provisions of this Policy, the acquisition of the Goods or Services listed in Appendix "A" do not fall under the Purchasing Policy.

15 Exceptions for Non-Competitive Procurements

Any requirement in this Policy to conduct a Competitive Process is subject to certain exceptions which permit a non-competitive Procurement Process.

The County may, subject to appropriate approval authority at Section 15.2, use any Procurement Process it deems appropriate (including direct purchase with no competition) if any of the exceptions set out in Section 15.1 apply.

These exceptions apply:

- a. even though there may be more than one Vendor capable of delivering the same Goods or Services (known as "single source"); or

Policy FI-30

Purchasing of Goods and Services Policy

- b. because there are no other Vendors available or able to provide the required Goods or Services (known as “sole source”).

15.1 Allowable Exceptions: Limited Tendering

Notwithstanding any requirement in this Policy to conduct a Competitive Process, non-competitive Procurements Processes for Goods and Services are allowed in the following circumstances, subject to appropriate approvals if:

- a. no Bids were submitted or no Bidders requested participation;
- b. no Bids that conform to the essential requirements of the Competitive Process documentation were submitted;
- c. no Bidders satisfied the conditions for participation set out in the Competitive Process documentation; or
- d. the submitted Bids were collusive,
- e. provided that the requirements of the Competitive Process documentation are not substantially modified as part of the non-competitive Contract award;
- f. or if the Goods or Services can be supplied only by a particular Vendor and no reasonable alternative or substitute Goods or Services exist for any of the following reasons:
 - i. the requirement is for a work of art;
 - ii. the protection of patents, copyrights, or other exclusive rights;
 - iii. due to an absence of competition for technical reasons;
 - iv. the supply of Goods or Services is controlled by a Vendor that is a statutory monopoly;
 - v. to ensure compatibility with existing Goods, or to maintain specialized Goods that must be maintained by the manufacturer of those Goods or its representative;
 - vi. work is to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
 - vii. work is to be performed on a leased building or related property, or portions thereof, that may be performed only by the lessor; or
 - viii. the procurement is for subscriptions to newspapers, magazines, or other periodicals;
 - ix. for additional deliveries by the original Vendor of Goods or Services that were not included in the initial procurement, if a change of Vendor for such additional Goods or Services;
 - x. 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;
 - xi. would cause significant inconvenience or substantial duplication of costs for the County;
 - xii. if strictly necessary, and for reasons of urgency brought about by events unforeseeable by the County, the Goods or Services could not be obtained in time using an open Competitive Process;
 - xiii. for Goods purchased on a commodity market;

Policy FI-30

Purchasing of Goods and Services Policy

- xiv. if the County procures a prototype or a first Good or Service that is developed in the course of, and for, a particular Contract for research, experiment, study, or original development;
- xv. for purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular Vendors; or
- xvi. if a Contract is awarded to a winner of a design contest provided that:
- xvii. the contest has been organized in a manner that is consistent with the principles of applicable trade treaty commitments, in particular relating to the publication of a notices; and
- xviii. the participants are judged by an independent jury with a view to a design Contract being awarded to a winner; or
- xix. for the purchase of Goods or consulting Services regarding matters of a confidential or privileged nature, and the disclosure of those matters through an open Competitive Process could reasonably be expected to compromise confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.

15.2 Non-Competitive Procurement Approval

The Department Head requesting a non-competitive Procurement Process for Goods or Services with a value under \$30,000 must submit a cost-effective or beneficial justification report to the Treasurer.

The Department Head requesting a non-competitive Procurement Process for Goods or Services with a value \$30,000 up to \$200,000 must submit a cost-effective or beneficial justification report to the Chief Administrative Officer for approval.

The Department Head requesting a non-competitive Procurement Process for Goods or Services with a value of \$200,000 or more must submit a cost-effective or beneficial justification report to Council for approval.

Prior approval under this Section is not required if the non-competitive Procurement Process is due to unforeseen situations of urgency that cannot wait for appropriate approvals Procuring in Emergencies.

Notwithstanding the provisions of this policy, an emergency purchase shall be made when an event occurs that is determined by the Warden, the C.A.O. and/or Department Head to be a threat. Where in the above opinion an emergency has occurred, non-competitive procurement or negotiation methods may be utilized.

The User Division shall submit a memorandum to Council outlining the purchase and the conditions that constituted an emergency, together with a source of funding, prior to the end of the quarter in which the emergency procurement took place. If Council approval for the funding source is required, the User Division shall submit the above information in the form of a Staff Report to the next available Council meeting.

Policy FI-30

Purchasing of Goods and Services Policy

16 Methods of Procurement

The Procurement Department shall obtain Quotations, Tenders or Proposals, conduct negotiations, evaluate bids, administer procedures, and recommend an award in accordance with the provisions of this Policy.

The Procurement Process will vary depending on the estimated value of the Goods and Services, inclusive of all delivery charges (as set out below).

All Purchase Orders and Blanket Purchase Orders issued by the Procurement Division will be approved by appropriate department personnel, in accordance with Appendix "C" - Authorizations before being issued to Vendors.

Procurement of Goods or Services that can be specified (and where such Goods and Services are not covered by a Blanket Purchase Order) shall be acquired by Purchase Order.

Where this Policy prescribes financial limits on Contracts that may be awarded under the authority of a Department Head, or provides for financial limits on Contracts required to be reported to Council, for the purpose of determining whether a Contract falls within these prescribed limits, the Contract amount shall be the sum of:

- a. All costs to be paid to the Vendor under the Contract, excluding all taxes; and
- b. Less any rebates.

16.1 Market Research and Engagement

The Department Head with the Purchasing Coordinator will be responsible for conducting an appropriate level of due diligence, market research and/or market engagement prior to commencing a Procurement Process. These activities are intended to support the effectiveness of the Procurement Process, including the preparation of specifications and scope of work, evaluation criteria, and budgets. These activities may also include contacting other municipalities or government entities to determine whether they have explored or are exploring similar opportunities.

Which measures are used, and what constitutes an appropriate level of activity, will depend on the circumstances. In a traditional procurement process, these activities may be limited. However, if the County is engaging in an innovation procurement, these activities may be extensive – as innovation procurement usually requires a needs assessment, market analysis and even collaboration with Vendors to help formulate outcomes and associated requirements in advance of issuing Competitive Process.

If market research and engagement involves any communication with Vendors, all such communication shall be conducted by and through the Purchasing Coordinator, who shall engage in communication with a view to ensuring the fairness of any future Competitive Process. For example, the Purchasing Coordinator will ensure that Vendors who participate in such communications prior to a Competitive Process do not have an unfair advantage during that Competitive Process (e.g., by tracking what information Vendors receive so as to ensure that information is available to other Vendors during the Competitive Process).

16.2 Low Value Purchase

Up to \$10,000

Policy FI-30

Purchasing of Goods and Services Policy

Competitive process is not required for purchases under \$10,000. However, comparison pricing should be done where practical. Employees making low value purchases must do so within the principles set out in section 4 of this Policy. Documented quotations are not mandatory.

16.3 Request for Quotation – Informal (\$10,000 to under \$15,000)

In addition to the goals in Section 4, the specific goal for a Request for Quotation (Informal) is to accept the lowest total acquisition cost bid meeting the requirements specified in the Request for Quotations.

16.4 Request for Quotation – Formal (\$15,000 to under \$30,000)

In addition to the goals in Section 4, the specific goal for a Request for Quotation (Formal) is to accept the lowest total acquisition cost bid meeting the requirements specified in the Request for Quotations.

16.5 Request for Tender - \$30,000 or Greater

In addition to the goals in Section 4, the specific goal for a Request for Tenders is to accept the lowest total acquisition cost bid meeting the requirements specified in the Request for Tenders.

16.6 Request for Proposals

- **General Framework**

Request for Proposals shall only be used for the solicitation of Proposals when the requirements for Goods and/or Services cannot be definitely specified, the requirements of the County are best described in a general performance specification, and/or innovative solutions are sought. Depending on its terms, a Request for Proposals may involve negotiations subsequent to the submission of Proposals on any or all of the specifications, Contract terms, and prices.

A Two-Envelope Approach may be used for all RFPs.

In addition, the Request for Proposals shall state whether the County intends to permit negotiation, and if so, the framework and rules that will apply to the negotiation process (including the time periods for negotiation and the circumstances in which the County may discontinue negotiation).

- **Evaluation Team**

An evaluation team shall be established for all Requests for Proposals and will consist of not less than three members of County staff, including at least one representative of the Procurement Division.

16.7 Competitive Dialogue / Best and Final Offer Process

Note: Competitive dialogue is an alternate type of Request for Proposals (and must comply with the requirements applicable to Requests for Proposals set out in this Policy).

Competitive dialogue is a Competitive Process that can be used when the County knows what outcome it wants to achieve but does not know how best to achieve it. This process is often used for complex projects or solutions when technical requirements cannot be defined with sufficient precision at the outset of the Procurement Process – and where both Vendors and the County would benefit from a measure of information-sharing (so that Vendors can better understand the County's needs,

Policy FI-30
Purchasing of Goods and Services Policy

and so that the County can better understand how to frame its needs as part of the Procurement Process).

A competitive dialogue involves one or more “dialogue” phases in which the County may formally discuss, in confidence, possible solutions with qualified Bidders. These dialogue phases may occur before or after the submission of some form of Proposal (e.g., after a pre-qualification process to ensure that Vendors who are invited to “dialogue” phases are qualified). The dialogue phase(s) culminate in the County finalizing its requirements, and then calling for Bidders to submit final Proposals that address those finalized requirements.

Although the County will disclose its refined requirements to Bidders so that they can respond to them in their Proposals, the County must take steps to ensure that it respects the confidentiality of Bids and Bidder information.

A competitive dialogue Procurement Process can take a variety of forms. For example, the “dialogue” phase(s) could involve any of the following:

- a. inviting Bidders to initially submit a solution outline for discussion with the County, with one or more subsequent rounds involving the submission of progressively more detailed solutions;
- b. inviting Bidders to submit a solution, and then, through the dialogue phase, developing refined requirements, specifications and/or evaluation methodology based on a hybrid of the best features;
- c. conducting a competitive dialogue on the technical/operational aspects of the solution, and then on financial aspects; or
- d. framing a possible solution, then asking participants to comment on it or propose improvements as the basis of the dialogue.

A Request for Proposal that involves a “best and final offer” mechanism can be an example of a competitive dialogue process.

The Purchasing Coordinator and Department Head must approve the use of a competitive dialogue in any Procurement Process.

16.8 Vendor of Record Arrangement

The County may establish Vendor of Record Arrangements to provide efficient access to Goods and Services that are frequently required by the County and/or other Public Agencies. The County may use Vendor of Record Arrangements established by the County directly, or through joint Procurement Processes with other public sector entities, as provided in this Section.

For County Vendor of Record Arrangements, any Contract award to a Vendor of Record must:

- a. Be within the Vendor of Record Ceiling Price; and
- b. Involve a further competitive process to which Vendors of Record may Bid, unless the competitive process that created the Vendor of Record Arrangement clearly documented an alternative approach to awarding Contracts to Vendors of Record (e.g. that one Vendor would be the primary Vendor and receive a certain value or portion of the Contract Awards; or that Goods and/or Services would be purchased in certain ratios among Vendors of Record).

Policy FI-30
Purchasing of Goods and Services Policy

If a further competitive process is conducted, all Vendors of Record should be eligible to Bid unless the competitive process that established the Vendor of Record Arrangement specified limits or the criteria for limiting the number of Vendors of Record that can Bid in any further Competitive Process.

Any Vendor of Record Arrangement shall use the following limits regarding the number of Vendors of Record invited to Bid in any further competitive process:

Contract Value	Minimum Second Stage Requirement
Less than \$<10,000>	At least 1 Vendor of Record
\$<10,000> to less than \$<30,000>	At least 3 Vendors of Record
\$<30,000> or greater	All Vendors of Record

If there are fewer Vendors of Record in a Vendor of Record Arrangement than required under the above requirements, the County must invite all Vendors of Record.

If, for any Contract award, the estimated value of the Contract exceeds the approved Vendor of Record ceiling price for that Vendor of Record Arrangement, the County must conduct a separate competitive process for that Contract award.

17 Bid Irregularity

A “bid irregularity” is a deviation between the requirements (terms, conditions, specifications, special instructions) of a Competitive Process and the information provided in a Bid.

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

A “major irregularity” is a deviation from the Competitive Process that affects the price, quality, quantity or delivery, and is material to the Contract award. If the deviation is permitted, the Bidder could gain an unfair advantage over competitors. The Purchasing Coordinator must reject any Bid which contains a major irregularity. The Bidder will be notified of the rejection due to the major irregularity.

A “minor irregularity” is a deviation from the Competitive Process which affects form rather than substance. The effect on the price, quality, quantity or delivery is not material to the Contract award. If the deviation is permitted or corrected, the Bidder would not gain an unfair advantage over competitors. The Purchasing Coordinator may permit the Bidder to correct a minor irregularity.

Action Taken:

The Purchasing Coordinator, the Department Head and CAO will be responsible for all action taken in dealing with Bid irregularities, and acts in accordance with the nature of the irregularity:

- a. major irregularity (automatic rejection)
- b. minor irregularity (Bidder may rectify)
- c. mathematical error (additions or extensions) as above

In the event that the Vendor withdraws their Bid due to the identification of a major irregularity, the County may disqualify such Vendor from participating in any County Procurement Process for a period of up to one year.

Policy FI-30

Purchasing of Goods and Services Policy

18 Procurement Process Notice

The County will publish a procurement notice at the time it issues a Competitive Process for any Contract with an estimated value at or above the CFTA Threshold. All procurement notices will be published on the Bid Board and must be available to Vendors free of charge.

19 Electronic Bidding

The County may issue Competitive Process documents and/or receiving Bids through a Bidding System over the Internet – namely Bids&Tenders®

Although the County may use electronic bidding for any Competitive Process, it shall use electronic bidding for the following Competitive Processes:

- a. for open competitive procurement of Services with a value at or above \$30,000;
- b. for open competitive procurement of Goods (or both Goods and Services) with a value at or above \$30,000.

Notwithstanding the above, where practical, the County will use electronic bidding through the Bids&Tenders Competitive Processes where the estimated value of the Contract is at or above \$30,000.

20 Electronic Auctions

For any Competitive Procurement process to be conducted via an electronic auction, the County must provide each Bidder, before commencing the electronic auction, with:

- a. the automatic evaluation method, including the mathematical formula, that is based on the evaluation criteria set out in the Competitive Process documentation that will be used in the automatic ranking or re-ranking during the auction;
- b. the results of any initial evaluation of the elements of its Bid if the Contract is to be awarded on the basis of the most advantageous Bid; and
- c. any other relevant information relating to the conduct of the auction.

21 Contracts

Contracts that exceed \$30,000, other than the standard Canadian Construction Document (CCDC), and the Agreement for Professional Consulting Services, must be submitted to the Director of Corporate Services and may be submitted to legal counsel for review.

22 Contract Award Notice

Any statement or notice about an award is only to be made or published after the Contract, Articles of Agreement or purchase order have been executed.

The County must inform all Bidders that participated in a competitive process of contract award decisions resulting from that process. If requested by a Bidder, the County must give that Bidder an explanation of the reasons why it was not selected.

Policy FI-30

Purchasing of Goods and Services Policy

For any Contract award at/above the CFTA Threshold (including where the Contract award was made reliant upon a non-competitive exception pursuant to Section 15.1), the County must post a Contract award notification.

That Contract award notification must be posted on the Bid Board within 72 days of the award decision and must include the following information:

- a. a description of the Goods or Services procured;
- b. the name and address of the County;
- c. the name and address of the successful Vendor;
- d. the value of the successful Bid;
- e. the date of Contract award; and
- f. if a non-competitive exception pursuant to Section 15.1 was used, the conditions and circumstances that justified its use.

The above notice must be posted for a reasonable period of time.

23 Vendor Debriefings

For any Competitive Process to award a Contract:

- a. the County will promptly inform Bidders of its Contract award decisions, and on the request of a Bidder within sixty (60) calendar days of award notice, shall do so in writing; and
- b. subject to appropriate confidentiality protections to protect Bidder confidential information, the County shall, on request, provide an unsuccessful Bidder with an explanation of the reasons why the County did not select its Bid.

24 Vendor Performance Monitoring

Department Heads are responsible for monitoring Vendor performance under all Contracts that are used by their departments. This requires Department Heads to:

- a. monitor Vendor performance under all Contracts resulting from that Procurement;
- b. document evidence related to that Vendor-monitoring; and
- c. advise the Purchasing Coordinator in writing if the performance of a Vendor has been unsatisfactory in any manner.

If the performance of a Vendor has been unsatisfactory, the Purchasing Coordinator will then advise that Vendor of its unsatisfactory performance with a view to giving the Vendor an opportunity to remedy its performance, if reasonably feasible.

25 Change Orders and Amendments to Contracts

No amendment to a Contract shall be made unless the amendment, in the opinion of the Treasurer or the CAO, is in the best interest of the County.

No amendment that changes the original award price of a Contract shall be made without a corresponding change in requirement or scope of work.

Policy FI-30

Purchasing of Goods and Services Policy

A Department Head may approve amendments to Contracts and resulting additional payments to suppliers provided that the total value of the original Contract, plus any previous amendments, plus the value of the additional proposed amendment, are within their respective approval authority as noted in appendix C of this policy and can be accommodated within the Approved Budget.

The Chief Administrative Officer may approve amendments to Contracts and resulting additional payments to suppliers provided that:

- a. The total value of the original Contract, plus any previous amendments, plus the value of the additional proposed amendment, are within the respective approval authority as noted in Appendix C of this policy and can be accommodated within the Approved Budget.
- b. Where the original award was approved and the value of any previous amendments plus the value of the additional proposed amendment are less than \$10,000 and can be accommodated within the Approved Budget.

Council authority to amend a Contract and the resulting additional payments to suppliers is required in the following circumstances:

- a. Where the original award was approved by Council, additional Council approval is required for expenditures that exceed the original price by more than 10 percent or \$100,000.
- b. Where the total value of the original Contract, plus any previous amendments, plus the value of the additional proposed amendment, cannot be accommodated within the Approved Budget, the Department Head shall submit a report to Council recommending the amendment and proposing the source of financing.
- c. Where the Chief Administrative Officer or Treasurer deems it in the County's best interest that Council approve the amendment of the Contract.

26 Purchasing Card Program

A Purchasing Card offers an efficient and cost-effective method to purchase and pay for Goods or Services of relatively low dollar value. This program is designed to serve as an alternative to the use of petty cash or where a regular Purchase Order is not accepted by a Vendor.

Any Purchasing Card belongs to the County. Only Employees who have been delegated authority to purchase are eligible to request Purchasing Cards as a payment alternative. All Employees granted a Purchasing Card are required to have a completed, signed and authorized approval form, prior to being given custody of a Purchasing Card. Issuance of a Purchasing Card requires written approval by the Employee's immediate supervisor, and/or Department Head.

The following are key principles of the County's Purchasing Card program:

- a. The Purchasing Card is to be utilized for appropriate and reasonable expenditures as specified in this Policy and other policies and procedures.
- b. The Procurement Department will ensure that appropriate accounting procedures, reporting mechanisms and approvals are in place to ensure Purchasing Card expenditures comply with County policies and procedures.
- c. The responsibility for maintaining appropriate security of the Purchasing Card and appropriate documentation for expenditures rests with the cardholder and the cardholder's Department Head.

Policy FI-30

Purchasing of Goods and Services Policy

When Purchasing Cards are to be used to pay for training and workshop registrations, or membership renewals expenditures, for the benefit of an Employee who is also the cardholder, counter signature on the invoice is required by the Cardholder's immediate Supervisor prior to payment authorization.

Cardholders are responsible for compliance with applicable contracts for the Purchasing Card provided by the card issuer.

27 Disposal of Surplus Items and Real Property

Any Real Property or Surplus Items belonging to the County and declared surplus shall be disposed of in accordance with the County Policy for Disposal of County Assets.

28 Complaints

Note: This Section is subject to review and revision once the Province of Ontario has established its approach to bid disputes and rapid interim measures under the Canadian Free Trade Agreement.

A Vendor has an opportunity to raise concerns in connection with a Procurement Process through the question and answer period of that process, or through any debriefing meeting after the Contract award. Before initiating the Bid dispute process, Vendors should be strongly encouraged to raise their concerns as part of the question and answer period or any debriefing.

If the Vendor wishes to initiate a formal Bid dispute, the Vendor must follow the steps set out in this Section.

A Bid dispute must be submitted to the County within ten (10) days from the time when the basis of the dispute became known or reasonably should have become known to the Vendor. This time period is intended to help resolve the Bid dispute in time to affect the Vendor's participation in any current Procurement Process (if feasible).

To submit a Bid dispute, Vendors must:

- a. Provide a detailed description of the Bid dispute, including the desired remedy; and
- b. Provide any additional relevant background information.

All Bid dispute documentation must be addressed to:

Peterborough County
470 Water Street
Peterborough, Ontario L9H 3M

Once a Bid dispute has been received, the Treasurer will initiate a review of the matter, and will consult with legal counsel where appropriate. The Treasurer is to complete that review as soon as reasonably possible, but generally within 30 days.

The Treasurer will then prepare a written decision regarding the matter and will send a copy of that decision to the Vendor that submitted the Bid dispute.

In all cases:

- a. The County shall seek to resolve the Bid dispute with the Vendor through consultation (to the extent feasible and reasonable); and

Policy FI-30

Purchasing of Goods and Services Policy

- b. The County will accord impartial and timely consideration to the Bid dispute in a manner that is not prejudicial to the Vendor's participation in ongoing or future Procurement Process.

Filing a Bid dispute does not affect a Bidder's ability to participate in ongoing or future procurement opportunities with the County.

Policy FI-30

Purchasing of Goods and Services Policy

Appendix A List of Items Exempt from the Policy

Exempt Expenditures

The expenditures set out in this Appendix A are exempt from the requirements set out in this policy.

A.1 List of Exempt Expenditures

1. General Expenses

- a. Workers Safety Insurance Board payments
- b. Payroll Deduction Remittances such as Income Tax, Unemployment Insurance Premiums Employer Health Tax
- c. Debt principal and interest payments
- d. Loan and mortgage payments
- e. HST remittances
- f. Licenses (e.g. vehicles, elevators, radios, and computer hardware and software)
- g. Real Property payments including purchases, leases, easements, encroachments and licenses, or the like
- h. Insurance claims, legal agreements or settlements and arbitration awards
- i. Employee/Council travel expenses
- j. Other training related expenses such as memberships in professional organizations, staff attendance at seminars, workshops, conferences or courses, subscriptions, periodicals or magazines.

2. Professional Services

- a. Employee training, facilitators, or speakers
- b. Medical Professional Services
- c. Expert Witnesses
- d. Outside Legal Counsel
- e. Municipal Tax Equity (MTE) as approved in annual budgets
- f. Fees related to real estate transactions such as commissions and professional fees
- g. Conservation Authority fees for services rendered, including fees from:
 - Otonabee Region Conservation Authority
 - Kawartha Region Conservation Authority
 - Crowe Valley Conservation Authority
 - Ganaraska Conservation Authority

3. Payments to other Organizations/Individuals

- a. Other Municipalities, for example; the City of Peterborough for shared services.
- b. Annual requisitions approved as part of the budget process to a local board or agency such as Otonabee Region Conservation Authority, Peterborough Humane Society, Peterborough Public Health, Little Lake Music fest, Showplace, Canadian Canoe Museum, Race Relations Committee, Peterborough Green-Up and Greater Peterborough Area Economic Development Corporation (GPAEDC), Fairhaven, Community Care Peterborough
- c. Social Services agencies that provide service to the County through Service Agreements such as Daycare and Hostel Operators

Policy FI-30

Purchasing of Goods and Services Policy

- d. Municipal Property Assessment Corporation fees for property assessment services and support costs
- e. Organizations on whose behalf the County has received donations and issued income tax receipts
- f. Capital grants to other organizations, as approved in budgets
- g. Annual maintenance, support or equipment parts/supplies for software or hardware that is only available through a sole source
- h. Refurbishing components of equipment by the authorized manufacturer of the equipment
- i. Transportation, recycling and disposal of municipal Household Hazardous Waste and recyclables as per Agreement with Stewardship Ontario

4. Special Services

- a. Various transfers to Social Services clients
- b. Postal services
- c. Payments to developers as stipulated in Subdivision or other Development Agreements
- d. Investments
- e. Bank charges
- f. Expenses related to an event which will be recovered in full from a third party
- g. Relocation of utilities within the right-of-way
- h. Rail crossing maintenance and required fees

5. Utilities

- a. Electricity
- b. Water
- c. Natural gas
- d. Cable

6. Refunds

- a. Property tax refunds
- b. Building permit refunds
- c. Cancelled services, program, events, tickets

Transfer of Funds Collected on behalf of a third-party such as School Board taxes

A.2 Payment of Exempt Expenditures

Payments for the exempt expenditures may be made on the basis of an invoice, or based on an internal cheque request, with the appropriate account number(s) indicated and which has been signed by an employee with applicable Approval Authority, as set out in B.3. In some cases, a Purchase Order or an Agreement may be required.

**Policy FI-30
Purchasing of Goods and Services Policy**

Appendix B Purchasing Process, Circumstances for Use and Goals

Process	Dollar Thresholds	Circumstances for Use	Goals
Informal Low Value Procurement	Up to \$10,000	At the discretion of the Authorized person	
Informal Request for Quotation	Greater than \$10,000 up to \$15,000	When timey purchasing is critical. When the formal process is not cost beneficial.	To obtain competitive pricing for procurement in an expeditious and cost effective manner through phone, fax, e-mail, other similar communication method vendor advertisement or vendor catalogues.
Request for Quotation	Greater than \$15,000 up to \$30,000	When the process requires seeking quotations without commitment to a contract, however the magnitude of the project requires a more formal process.	Same as a Request for Tender except that bid solicitation is done primarily on an invitational bases from pre-determined bidders list, but may be supplemented with public advertising of the procurement opportunity.
Request for Tender	Greater than \$30,000	Requirements are clearly defined	To implement an effective, objective, fair, open, transparent, accountable, and efficient process for obtaining competitive bids based on precisely defined requirements where a clear or single solution exists.
Request for Proposal	Greater than \$30,000	Project requirements are not specifically delineated	To implements an effective, objective, fair, open, transparent, accountable, and efficient process for obtaining unique proposals designed to

Policy FI-30
Purchasing of Goods and Services Policy

Process	Dollar Thresholds	Circumstances for Use	Goals
			meet broad outcomes to a complex problem or need.
Non-Competitive or Single Source		<ul style="list-style-type: none"> • Statutory or market-based monopoly. • No bids are received in a competitive process. • Item is covered by exclusive right such as a patent, copyright, or exclusive license. • Items are covered by a lease-purchase agreement where payments are partially or totally credited to the purchase. • Where it is necessary to ensure compatibility with existing products, or to avoid violating warranty/guarantee requirements. • When items are in short supply due to market conditions • When competitive sourcing would not be economical. • Emergency situations. • Exempt goods and services as outlined in Appendix A. 	

Policy FI-30
Purchasing of Goods and Services Policy

Process	Dollar Thresholds	Circumstances for Use	Goals
		<ul style="list-style-type: none">• Vendor is the only supplier of the goods or services.• Previously identified as a specialized service or product.	

**Policy FI-30
Purchasing of Goods and Services Policy**

Appendix C Authorizations

Authority to Award	Dollar Value	Method of Procurement if Formal or Informal	Method of Award
Council	Unlimited	n/a	Council Resolution
CAO, Treasurer, and Department Head	\$100,000 or greater	Tender or RFP	Bid Award Form
Department Head and Treasurer	\$30,000 up to but not including \$100,000	Tender or RFP	Bid Award Form
Manager and Purchasing Coordinator	up to but not including \$30,000	RFQ	Bid Award Form (if no budget reallocation)
General Staff as designated by Department Head	Less than 10,000	Direct Acquisition	Purchasing Card or Purchase Order.

Notes:

1. The procurement process must be conducted in accordance with this Policy and all applicable procedures.
2. No award of a Contract may be approved unless the Contract Value can be accommodated within the Approved Budget.
3. The authority to approve the award of a Contract for the procurement is based on the actual Procurement Value. Procurement Value includes the value of any Contract Renewal Options.

Policy FI-30
Purchasing of Goods and Services Policy

Appendix D Bid Irregularities Contained within Paper Bids

The following list of irregularities should not be considered all inclusive. The Purchasing Coordinator and, as may be warranted, in consultation with any or a selection of the following, respective departmental staff, Treasure, and/or the CAO, shall review irregularities not specifically listed and, acting in the best interests of the County, have authority to waive such irregularities, permit correction to the irregularity or reject the submission.

No.	Irregularity	Response
1.	Late Submissions.	Rejection; not opened or read publicly. Submission to be returned to submitter.
2.	Insufficient Financial Security (No bid bond/deposit or agreement to bond or insufficient bid bond/deposit).	Automatic Rejection for no bid deposit. Automatic Rejection for no agreement to bond. 48 hours to correct shortfall in bid deposit if less than required by no more than 10%.
3.	Conditional Bids (Bids qualified or restricted by an attached statement).	Automatic rejection unless, in the opinion of Department Head and Purchasing, the qualification or restriction is insignificant.
4.	Illegible or obscure Bids, non-initialed erasures, non-initialed alterations.	Automatic rejection.
5.	Documents, in which all necessary Addenda which have significant financial or scope implications in the opinion of the Purchasing Coordinator and user group, have not been acknowledged.	Automatic rejection.
6.	Documents in which all necessary Addenda which do not have significant financial or scope implications in the opinion of the Purchasing Coordinator and user group, and have not been acknowledged.	48 hours to submit.
7.	Bids received from bidders who did not attend mandatory site visit(s).	Automatic rejection.
8.	Bids received on documents other than those provided by the County, when specified to do so.	Automatic rejection.
9.	Failure to insert the bidder's business name in the space(s) provided on Mandatory Submission Pages.	48 hours to submit.
10.	Failure to include signature of the person authorized to bind the bidder in the space provided on the Tender / Proposal Form.	48 hours to submit.
11.	More than one submission from the same submitter and not identified as an alternative or optional submission and no written withdrawal notice has been received.	The submission package bearing the most recent date/time stamp will be considered the intended submission and the previously date/time stamped submissions will be considered withdrawn and will be returned to sender, unopened.

Policy FI-30
Purchasing of Goods and Services Policy

12.	Bids Containing Mathematical Errors	<p>If the amount tendered for a unit price item does not agree with the extension of the estimated quantity and the tendered unit price, or if the extension has not been made, the unit price shall govern and the total price shall be corrected accordingly.</p> <p>If both the unit price and the total price are left blank, the Bid will be rejected as incomplete. If the unit price is left blank but a total price is shown for the item, the unit price shall be corrected according to the total provided.</p> <p>If the Tender contains an error in addition and/or subtraction in the approved tender documentation format requested (i.e. not the additional supporting documentation supplied), the error shall be corrected and the corrected total Contract price shall govern.</p> <p>Tenders containing prices which appear to be so unbalanced as to likely affect the interests of the County adversely will be clarified and may be rejected.</p>
13.	Other minor irregularities	<p>Purchasing Coordinator, in conjunction with the Treasurer shall have authority to waive irregularities, which they jointly consider to be minor.</p>
14.	Any irregularity	<p>Despite all provisions herein contained Purchasing, in conjunction with the members of the Senior Management Team may waive any irregularity where it considers it to be in the best interest of the County.</p>

Policy FI-30

Purchasing of Goods and Services Policy

Appendix E Bid Irregularities Contained within Bids Applicable to Electronic Bids Only

The following list of irregularities should not be considered all inclusive. The Purchasing Coordinator and, as may be warranted, in consultation with any or a selection of the following, respective departmental staff, Treasurer, and/or the County's C.A.O., shall review irregularities not specifically listed and, acting in the best interests of the County, have authority to waive such irregularities, permit correction to the irregularity or reject the submission.

No.	Irregularity	Response
1.	Late Submissions – Bid received after the closing date and time specified in the Bid Document	Bidding system does not accept late bids
2.	Addenda not acknowledged	Bidding system does not accept bids that have not acknowledged all addenda
3.	Site Meeting – Bidder did not attend a mandatory site meeting	Bidding system does not allow submissions from vendors that have not attended a mandatory site meeting
4.	Method of Delivery – where the bid has been submitted via any other method other than through the Bidding System, where no such provision is allowed for in the bid document	Bid declared non-compliant
5.	Format – bid not on the form supplied by the County or not in the format specified in the bid document	Bid declared non-compliant
6.	Bid Bond / Agreement to Bond – Bond is missing, the amount is less than the amount indicated in the bid document or the bonding company is not licensed to conduct business in Ontario, Canada.	Bid declared non-compliant
7.	Bid Bond – Bond is not electronically verifiable / enforceable (e-Bond) as indicated in the bid documents	Bid declared non-compliant
8.	Documents – documents provided through the Bidding System are not the required documents or are not legible	Bid declared non-compliant
9.	Qualified Bid – where the bid has been qualified by changes to specifications or major requirements and acceptance would allow an unfair advantage over competitors	Bid declared non-compliant
10.	Other minor irregularities	Purchasing, in conjunction with the Treasurer shall have authority to waive irregularities, which they jointly consider to be minor.
11.	Any irregularity	Despite all provisions herein contained Purchasing in conjunction with the members of the Senior Management Team may waive any irregularity where it considers it to be in the best interest of the County.