

POLICY

POLICY TITLE: Purchasing Policy

POLICY NUMBER: PLCY-2022-0003

DATE: May 24, 2022

1. DEFINITIONS

In this Policy:

- a) “Authority” or “Authorized” means the legal right to conduct the tasks outlined in this policy as directed by Council and delegated through the Office of the Chief Administrative Officer to the Commissioner of Corporate Services and subsequently to the Senior Manager of Purchasing & Risk Management and staff. Authorized purchases are those that have prior approval of Council either through resolution or through the purchasing policy (delegated authority).
- b) “Best value” means the optimal balance of performance and cost. It may include life cycle cost analysis that reflects the overall cost.
- c) “Bid” means an electronic offer or submission from a bidder received in response to a request for quotation, tender, proposal or any other request, which is subject to acceptance or rejection.
- d) “Bidding System” is the Owner’s online web-based solution for issuing solicitations and/or receiving online bid submissions and posting bid results.
- e) “Bid Irregularity” means a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response (see Schedule A).
- f) “Bid Surety” means letters of credit, bond surety or electronic bonds issued by a Licensed Canadian Surety Company or Canadian Chartered Bank to ensure the successful bidder will enter into an agreement.

- g) “Broader Public Sector (BPS)” means all ministries and agencies as classified by the Province. It includes municipalities, academic institutions, school boards and health care providers.
- h) “CETA” means the Comprehensive Economic and Trade Agreement Chapter Nineteen (19) Government Procurement, effective September 21, 2017 and as may be updated from time to time.
- i) “CFTA” means the Canadian Free Trade Agreement set out for Government Procurement Chapter Five (5), effective July 1, 2017 and as may be updated from time to time.
- j) “Chief Administrative Officer (CAO)” means the official or designate, appointed by Council, to oversee the administrative management of the Corporation of the Town of Halton Hills.
- k) “Clerk” means the official or designate, appointed by Council, to oversee the legislative management of the Corporation of the Town of Halton Hills.
- l) “Certificate of Clearance from the Workplace Safety and Insurance Board (WSIB)” means a certificate issued by an authorized official of the Workplace Safety and Insurance Board. It declares that a business, contractor or subcontractor is registered with WSIB and has an account in good standing.
- m) “Compliance” means the response to the bid or offer conforms to the mandatory and/or essential requirements contained in the bid document. A document would be considered to meet substantive compliance if either the stipulated requirement has or can be met using an alternative method other than that expressed or inferred by the term, condition or specification or where the degree of non-compliance is not deemed to be material to meeting the performance outcome of the stipulated requirement or is not detrimental to the Town’s overall stated business requirement.
- n) “Conflict of Interest” is defined as a situation or circumstance, real or perceived that could give a supplier or consultant an unfair advantage during a procurement process or compromise the ability of a supplier or consultant to perform its obligations under the contract.
- o) “Construction” means the creation, demolition, repair or renovation of a building, road, park or structure and that may include preparation, excavation, drilling, seismic and soil investigation, the supply of products and materials and the supply of equipment and machinery, if they are included in and incidental to the project and the installation and repair of fixtures to a building or structure.
- p) “Consultant” means a service of an advisory nature required to support policy development, decision-making, administration, or management of a business or public entity; generally provided by individuals or organizations who possess specific knowledge, technical skills, or unique abilities not usually available in-house or that are required due to staff shortages due to workload, who, is hired by the Town to undertake a specific task or assignment. These professional services are for a defined service and includes the

services of architects, landscape architects, engineers, designers, surveyors, planners, accountants, auditors, management and marketing professionals, software and information technology experts, financial consultants, lawyers, law firms, real estate agents and brokers, environmental planners and engineers, hydro geologists, transportation planners, communication consultants and any other consulting services which may be required by the Town.

- q) “Contract” means any form of a legally binding agreement between two or more legal entities, awarded under this by-law.
- r) The “Corporation” or “the Town” means the Corporation of the Town of Halton Hills.
- s) “Council” means the Municipal Council of the Corporation of the Town of Halton Hills.
- t) “Declared Emergency” means a signed declaration made in writing by the Head of Council, Regional Chair, the Premier of Ontario, or Prime Minister of Canada in accordance with the *Emergency Management Act*. This declaration is usually based on a situation or an impending situation that threatens public safety, public health, the environment, critical infrastructure, property, and/or economic stability and exceeds the scope of routine community activity.
- u) “Department” means any division within the Corporation.
- v) “Department Head” means the Commissioner of any Town department or designate (i.e. Commissioner of Corporate Services, Commissioner of Transportation & Public Works, Commissioner of Planning and Development, Commissioner of Recreation & Parks, Chief Librarian and CEO or Commissioner & Chief of Fire Services).
- w) “Designate” means a person or persons assigned the duties and responsibilities on behalf of or in the absence or incapacity of the person charged with the principal authority to take the relevant action or decision.
- x) “Electronic Bidding” means a method of issuing bids and/or receiving bids through a bidding system over the internet.
- y) “Emergency” means an event or circumstance where the immediate purchase of goods, services or construction is necessary to prevent or alleviate serious delay, a threat to public health, safety or welfare, the disruption of essential services or damage to public property or any other expenditure that is necessary to respond to any such event.
- z) “Goods and Services” means all supplies, materials or equipment and maintenance, professional and consulting services. These may take the form of an expense to the Town or may be revenue generating. This may include warranty, installation, training, inspection, maintenance, conversion costs and repairs and related procurement services, but does not include land purchases, sales and property leases.
- aa) “Halton Cooperative Purchasing Group (HCPG)” means the member municipalities and other public funded agencies within the Region of Halton that participate in cooperative

purchasing activities for the purpose of providing optimum value and resources to its member agencies and client groups through innovative and progressive co-operative purchasing. Agencies include the City of Burlington, the Towns of Oakville, Halton Hills and Milton, Burlington and Oakville Public Library, Halton Region, Halton Regional Police, Conservation Halton, Burlington Hydro Inc., Oakville Hydro Inc., Milton Hydro, Halton Children's Aid, Halton District School Board, Halton District Catholic School Board and Sheridan College or as amended. For further information refer to hpcpg.ca

- bb) "In-house Bidding" is a process that allows for internal departments to compete with external entities for procurement opportunities. The Town does not solicit in-house bids.
- cc) "Insurance" means certified documents issued by an insurance company licensed to operate by the Province of Ontario stating that the bidder is insured in accordance with the Town's insurance requirements as contained in the bid documents and that the Town is named as an additional insured.
- dd) "Lease" means a financial arrangement whereby equipment is provided to the Town by a third party in exchange for a series of payments.
- ee) "Manager" means the Senior Manager of Purchasing & Risk Management or designate and is hereby authorized to act as agent in all such matters pertaining hereto.
- ff) "Mayor" means the official elected as Mayor or their Designate for the Town.
- gg) "Non-Compliant" means the response to the bid or offer does not conform to the mandatory and/or essential requirements contained in the bid document.
- hh) "Non-profit" means a club, society or association that is organized and operated solely for social welfare, civic improvement, pleasure or recreation or any other purpose except profit.
- ii) "Prequalification" is the process of screening potential suppliers, contractors or consultants in which such factors as financial capability, qualifications and experience may be considered to develop a list of qualified businesses who may then be allowed to submit bids or proposals.
- jj) "Project Manager" means the staff person whose responsibility it is to plan, execute and close the project (typically construction, a study or computer related).
- kk) "Proposals" means an offer from a supplier to provide supplies and/or services, acceptance of which may be subject to further negotiation. This can also be called a Request for Proposal (RFP).
- ll) "Purchase Order" means the legal contract that is the corporation's commitment to the supplier for the value of the goods or services ordered. It is also the supplier's authority to provide and charge for the goods or services specified on the order at the quantity and price indicated.

- mm) "Purchasing Card" means a credit card that can be used by authorized employees of the Town to purchase goods and/or services as outlined in Schedule B of this Policy.
- nn) "Purchasing Analyst" means the staff position that is hereby authorized to act as agent in all such matters pertaining hereto based on assigned limits noted and reports to the Manager.
- oo) "Relationship" means a parent, spouse, child, sibling or in-law.
- "Responsible" means a respondent who can reasonably be expected to provide satisfactory performance on the proposed contract based on reputation, references, performance on previous contracts and sufficiency of financial and other resources.
- pp) "Single Source" is a procurement decision where purchases are directed to one source of supply, rationalized by a sound business case, even though other competitive sources may be available or are capable of providing the goods or services within the necessary time frame. (Schedule I)
- rr) "Sole Source" is a procurement decision whereby purchases are directed to one source of supply as no other source is qualified or capable of providing the goods or services. (Schedule I)
- ss) "Standardization" is the adoption of a single product or group of products to be used at the exclusion of all others. (Schedule I)

2. PURPOSES, GOALS AND OBJECTIVES

The Corporation of the Town of Halton Hills has established sound policies for the purpose of procuring supplies and services in a manner that is efficient, ethical, professional and accountable. This policy shall protect the integrity of the corporation, the public and the participants in the procurement process while obtaining the best value when procuring goods and services. Hence, the goals of this by-law are to:

a) Ensure an Open, Objective and Competitive Process

A minimum of three bids is solicited for purchases over fifteen thousand dollars (\$15,000) in total for the cumulative term of the purchase. Although a minimum of three bids is solicited, an open process without any maximums is encouraged. All bids over fifty thousand dollars (\$50,000) will be posted on the Town and bidsandtenders™ web site at <https://haltonhills.bidsandtenders.ca/>

b) Ensure Transparency

The procurement process is undertaken based on a clear definition of the goods or services required and a clear outline of the criteria used in the evaluation. With regards to quotations and tenders, the decision to choose the low bidder will be based solely on the requirements as documented, the bidder's document and the pricing. Total project costs may be considered, including, but not limited to tax, training, maintenance, quality, warranty, payment terms,

delivery, conversion costs, life cycle costing and trade-in value. A list of suppliers bidding on contracts over fifty thousand dollars (\$50,000) is available on the Town and bidsandtenders™ web site at <https://haltonhills.bidsandtenders.ca>. In addition, once the bids are closed a summary of quotation and tender prices over fifty thousand dollars (\$50,000) will also be available on the Town and bidsandtenders™ web site.

c) Ensure Fairness

The process will be fair, such that no action is undertaken by Town staff to allow any given bidder an unfair advantage or disadvantage. The policy will comply with CETA and CFTA trade agreements.

d) Ensure Efficiency

Purchases may be grouped with other departments or with other agencies to minimize administrative costs and to maximize buying power through economies of scale.

e) Ensure Ethical Practices

The Town of Halton Hills Employee Code of Conduct shall govern appropriate conduct and decision making within the authority granted under this policy.

The Ontario Broader Public Sector Supply Chain Code of Ethics is based upon the tenets listed below. All members of Council and all employees who are authorized to purchase goods and/or services on behalf of the corporation are to adhere to the following:

i) Personal Integrity and Professionalism

All individuals involved with purchasing or other supply chain-related activities, staff and Council shall act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence shall be integral to all supply chain activities within and between Broader Public Sector (BPS) organizations, suppliers and other stakeholders. Respect shall be demonstrated for each other and for the environment. Confidential information shall be safeguarded. All participants shall not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, releasing/ sharing information or publicly endorsing suppliers or products. With the exception of requests for performance references, one bidder will not be endorsed to give that bidder an advantage over others.

ii) Accountability and Transparency

Supply chain activities shall be open and accountable. All participants shall ensure that public sector resources are used in a responsible, economical, efficient and effective manner.

iii) Compliance and Continuous Improvement

All individuals involved in purchasing or other supply chain-related activities shall comply with these ethics and the laws of Canada and Ontario. All individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practice.

3. COMPLIANCE TO PURCHASING POLICIES

Council, the public and the business community shall have confidence in the integrity of the corporation's employees. An employee who knowingly fails to act in accordance with the provisions of this policy will be subject to appropriate disciplinary action, in accordance with the Town's Employee Code of Conduct.

4. AUTHORITY

- a) This policy authorizes the Manager and the Purchasing Analyst or designate to purchase all goods and services required by the Town.

- b) The signatures of the Purchasing Analyst or Senior Manager of Purchasing & Risk Management, or the Mayor and Clerk, are necessary on all agreements to purchase, lease or contract for goods and services over fifteen thousand dollars (\$15,000). The Purchasing Analyst or Senior Manager of Purchasing & Risk Management shall be authorized to sign all purchase orders up to two hundred and fifty thousand dollars (\$250,000), subject to adherence to this policy. The Senior Manager of Purchasing and Risk Management shall be authorized to sign all purchase orders between two hundred and fifty thousand and one dollar (\$250,001) and one million dollars (\$1,000,000) as authorized by the Council or CAO. The Senior Manager of Purchasing & Risk Management shall be authorized to sign all purchases over one million dollars (\$1,000,000) as authorized by Council. The Mayor and Clerk shall be authorized to sign all agreements as authorized by the Delegated Authority to Senior Management By-law No 2022-0027.

Total Purchase Amount	Delegated Purchasing Authority Level
<\$15,000	Delegated Staff
\$15,001 - \$250,000	Purchasing Analyst or Senior Manager of Purchasing and Risk Management
\$250,001 - \$1,000,000	Senior Manager of Purchasing and Risk Management with Council or CAO authorization
>\$1,000,000	Senior Manager of Purchasing and Risk Management with Council Authorization
Contract	Mayor or Clerk as per Delegated Authority to Senior Management By-law No. 2022-0027

- c) The Manager shall monitor adherence to the provisions of this policy and the procedures adopted for its use. Failure to comply with the provisions of the policy and the procedures shall be reported to the Commissioner of Corporate Services and respective Department Head. Continued non-compliance shall be reported to the CAO.
- d) The Manager shall be responsible for maintaining good supplier relations and for the conduct of all contracts, contract negotiations and dispute resolution, subject to the other provisions of this policy. The Manager shall be provided with assistance from the departments prior to the outset of calling bids, in matters that require further expertise and may request departments to undertake research into specific goods, services or suppliers.

5. PURCHASING GUIDELINES

- a) Except as otherwise stipulated, any purchase of goods, services or equipment shall be made on a competitive basis, in keeping with accepted public purchasing practices and in accordance with the applicable federal, provincial and municipal laws. The Town does not solicit in-house bids in competition with outside firms.
- b) Committees of Council, or other agencies that have committed to undertaking a project on behalf of the Town (i.e. Friends of the Seed House, Limehouse Kilns, etc.) that require a purchase order from the Town on their behalf, to be issued for contractual reasons are subject to the terms of this policy. If a Committee of Council or other agency is seeking an exemption to this section, the purchase would then be considered a sole/single source and the respective approvals (Schedule I) would apply.

6. RESTRICTIONS PROHIBITED

- a) Splitting of purchases to avoid any of the purchasing process outlined in this policy is strictly prohibited. Such practices shall be reported to the appropriate Department Head and the Commissioner of Corporate Services. Continued non-compliance shall be reported to the CAO.
- b) No committee established by Council, no member of Council and no employee of the corporation shall enter into any contract on behalf of the corporation without express authority from Council.
- c) No goods or services shall be purchased by the corporation from any employee and/or employee relationship of the corporation or member of Council without the express authority from Council.
- d) In accordance with the Corporation's Employee Code of Conduct, no employee shall gain personal benefit, directly or indirectly, from any knowledge about Town-related matters.
- e) No elected official or employee shall gain personal benefit through the collecting of reward points, such as, but not limited to, air miles, gasoline company points, grocery store points, etc. while making a purchase on behalf of the Town through any payment method (e.g. EFT, cheque or purchasing card).

- f) No elected official, employee or relationship thereof, shall offer any bid, or otherwise sell any goods or services to the Town.
- g) As per the Town's Code of Conduct, Elected Officials, citizen appointees and staff shall not utilize the Town's purchasing activities for the acquisition of personal goods or services.
- h) No elected official or employee of the Town, other than the Purchasing section, shall allow contact with a person, or any officer, employee or agent of the person, who has submitted a bid prior to the bid award regarding the specific bid.
- i) No elected official or employee shall purchase or offer to purchase, on behalf of the Town, any goods and/or services, except in accordance with this Policy.
- j) The Town Code of Conduct should be consulted for additional Conflict of Interest guidelines.

7. PURCHASING PROCESSES

Subject to the provisions of this by-law and the policies of the corporation, the following procedures may be used in purchasing services and/or goods for the corporation:

- a) Corporate Purchasing Card
- b) Informal Quotations
- c) Formal Quotations (RFQ)
- d) Tendering (RFT)
- e) Request for Proposal (RFP)
- f) Negotiated Request for Proposal (NRFP)
- g) Prequalification
- h) Request for Expression of Interest (REI)
- i) Request for Information (RFI)
- j) Negotiation and Single or Sole Source, including emergency purchases and standardization

8. PROCESSES AND LIMITS

Total Procurement Value	Procedure	Mandatory	Process to be used
<\$15,000	Corporate Purchasing Card	Schedule B	Open Procurement, no quotations required but staff encouraged to solicit quotations.
\$15,001 - \$50,000	Informal Quotations	Schedule C	Informal quotes with at least 3 bids solicited. Can be through Purchasing or obtained by user.
	Informal Request for Proposals	Schedule D	

\$50,001 - \$100,000	Formal Quotation	Schedule E	Formal process, quotations and proposals administered by Purchasing
>\$50,000	Formal Request for Proposal or Negotiated Request for Proposal	Schedule D	Formal process administered by Purchasing
>\$100,000	Formal Tender	Schedule F	Formal process, tendering administered by Purchasing
Any dollar value	Prequalification	Schedule G	Formal process, administered by Purchasing
Any dollar value	Request for Expression of Interest or Request for Information	Schedule H	Formal process, administered by Purchasing
Any dollar value	Single /Sole Source including Emergency and Standardization	Schedule I	Negotiation

The Total Procurement Value is determined based on the estimated total price, including taxes and shipping, for the duration of the contract, for the entire Town, and the full potential term of the contract.

- a) Where the requirement for goods or services can be specified and is estimated that the **total value is less than fifteen thousand dollars (\$15,000)**, including taxes and freight, the good/service shall be acquired by the Town's Purchasing Card (refer to Purchasing Card Policy, Schedule B) or petty cash from such suppliers and upon such terms and conditions that are best for the Town (i.e. EFT, cheque). No report to council or purchase order is necessary.
- b) The following purchasing procedures shall apply to purchases greater than fifteen thousand dollars (\$15,000) including all known costs and contingencies associated with the purchase, except as otherwise provided in this by-law or otherwise authorized by Council:
 - i) The **Informal Quotation Procedure** outlined in Schedule C shall apply where the Total Procurement Value of a defined good or service is expected to be more than fifteen thousand dollars (\$15,000) but less than fifty thousand dollars (\$50,000).
 - ii) **Requests for Proposals** for goods and/or services may be called when the requirements of supplies or services cannot be definitively specified, or the requirements or services are non-standard in nature, and where such proposals

would result in specific offers by the bidders to fulfill the requirements at a particular price. The selection of the successful bidder is based on the effectiveness of the proposed solution including criteria such as experience, methodology and price. A demonstration and/or interview may be required, as part of the evaluation, to see if the proposed solution would fit the Town's requirements. Requests for Proposals Procedures, as outlined in Schedule D, shall apply as outlined in those cases where the Total Procurement value is expected to be more than fifteen thousand dollars (\$15,000).

- iii) The **Formal Quotation Procedures** outlined in Schedule E shall apply where Total Procurement Value of a defined good or service is expected to be more than fifty thousand dollars (\$50,000) but less than one hundred thousand dollars (\$100,000).
- iv) The **Formal Tendering Procedures** outlined in Schedule F shall apply where the Total Procurement Value of a defined good or service is expected to be one hundred thousand dollars (\$100,000) or more.
- v) **Prequalification** may be called for any goods, services or construction for the purpose of selecting qualified bidders or information prior to issuing a Request for Quote, Tender or Proposal. Prequalification Procedures, as described in Schedule G, shall apply as outlined in those cases. The document would request detailed information such as, but not limited to, the background of the vendor and its key personnel, relevant experience, and what the vendor can offer the Town. Any resulting competitive procurement process shall be issued in accordance with this by-law.
- vi) **Request for Information or Request for Expression of Interest** may be called to determine if there is sufficient vendor interest to justify proceeding with a competitive procurement process and/or to gain additional information on the good and/or service from the vendor community as outlined in Schedule H. These are non-binding processes and therefore do not result in an award or contract. An RFEI or RFI may be followed by a formal competitive procurement process.
- vii) **Single or Sole Sourced Procurement Procedures, Emergency Purchases and Standardization Procurement Procedures** may be applied by the Manager as detailed in Schedule I when any of the conditions described in Schedule I apply, and where the Total Procurement Value is expected to be more than fifteen thousand dollars (\$15,000).

9. CONTRACT ADMINISTRATION

a) CHANGE ORDERS and/or EXTENSION of UNIT RATES

Where no additional funds are required, any change orders within the capital budget may be approved by the Department Head or designate. This applies to deletions, extensions, increases and decreases, alterations of dimensions and grades or methods and materials of the work, revised quantities or other unexpected conditions in the work to be done within the intended scope of the original contract. This does not apply for changes in

scope.

This policy in conjunction with CORP-2019-0001 – Capital Budget Governance Policy which stipulates that the Treasurer may approve goods or service acquisitions that exceed the capital budget up to twenty-five thousand dollars (\$25,000) or 10% of the budget, (whichever is less) beyond the approved funding. It further states that additional expenditures in excess of the Treasurer’s authority but less than \$75,000 require approval of the CAO. A council report may be required to transfer the funds to the required budget.

Any projects that are anticipated to exceed the seventy-five thousand dollars (\$75,000) limit, must have Council approval once it is discovered that the budget will be exceeded.

Project Managers will consult with Purchasing staff to review the cumulative impact of any change orders and staff will report to council, if required.

b) CHANGE IN SCOPE or EXTENSION of TERM

Any changes to the contract that may include changing the scope or extending the term, beyond that set out in the original solicitation shall be considered as, and are subject to approval as a non-competitive procurement (i.e. single source or sole source).

The CAO and Treasurer may authorize the change in scope or extension of the term, greater than \$50,001, only for the sake of expediency, provided that:

- i) The requirement for the additional goods, services or construction could not reasonably have been anticipated at the time of the award of the original contract, and
- ii) The authorization to purchase the additional goods, services or construction is required to prevent interruption in the service delay or to avoid incurring extra costs, and
- iii) Necessary funds are available in the budget, and
- iv) Award is going to lowest tendered or highest ranked proposal based on the original project.
- v) A report will be submitted to Council, afterwards, by the department regarding change in scope requests for information purposes.

10. LEASING

In certain circumstances, it may be economically advisable for the Town to enter into a Financing Lease to acquire the rights to use capital equipment rather than an outright purchase. In which case, the Town will follow the Municipal Act, 2001, as amended, Ontario Regulation 653/05 and By-law 2004-0069 or as amended.

11. CO-OPERATIVE/OTHER GOVERNMENT BODIES BID CALLS

- a) The Manager shall have the authority to join or participate with other government agencies, such as Halton Cooperative Purchasing Group, Province of Ontario's Ministry of Government Services, Ontario Education Collaborative Market (OECM), AMO/LAS Canoe Group, MetroLinx Procurement Initiative and local boards and commissions in co-operative purchasing for bulk buying of goods and services. The Manager may acquire any goods or services from an existing government contract if it is deemed to be in the best interest of the Town.
- b) If the Town participates with another government agency or public authority in co-operative purchasing, the policies of the agency calling the co-operative bid shall apply. Purchases made through co-operative buying procedures will still follow all approvals and reporting as outlined in this policy.

12. AWARD REPORTS

- a) Reports to Council will also be required if one of the following circumstances exist:
 - i) The lowest priced, responsible, and compliant quote or tender is not being recommended for bids over \$250,000
 - ii) For tenders over one million dollars, (\$1,000,000)
 - iii) For proposals over two hundred and fifty thousand dollars (\$250,000)
 - iv) Emergency Purchases over fifty thousand dollars (\$50,000) for information only
 - v) For goods and services procured through negotiation over fifty thousand dollars (\$50,000) (i.e., single or sole source)
 - vi) For standardization of goods and services to be set as a Town standard over fifty thousand dollars (\$50,000)
 - vii) If only one bid is received for a tender or proposal over two hundred and fifty thousand dollars (\$250,000)
 - viii) Low bid is being recommended but does not meet major specifications for tenders over two hundred and fifty (\$250,000)
 - ix) Purchasing Policy is being waived for other reasons
 - x) The CAO requests a report be written
 - xi) If a leasing option is chosen for financing
 - xii) Lowest bid or highest ranked proposal has a conflict of interest
 - xiii) Low bidder or highest ranked proponent has a current or pending legal action resulting from a previous procurement contract or other relevant concern
 - xiv) Changes in Scope of project over fifty thousand dollars (\$50,000)
- b) The department requesting the goods or services will initiate the report and forward to Purchasing to be reviewed and approved. Upon Council approval, the department shall

initiate a purchase order, or a contract shall be executed by the Mayor and Clerk.

- c) Annually, the Manager, or designate shall provide a report to Corporate Affairs Committee or Council, which identifies the suppliers of professional and consulting services for routinely occurring matters and the amounts that have been expended for such services and have not previously been reported to Council over fifteen thousand dollars (\$15,000). In addition, this report will include Town assets sold as Surplus as well as goods and services authorized by the CAO during the year.

13. SPECIFICATIONS

- a) The preparation of the Specifications for Request for Quotations, Request for Proposals or Request for Tenders shall be the responsibility of the relevant department. Specifications shall be approved by the Project Manager appointed to the project, prior to being forwarded to the Manager for use in a competitive process.
- b) The Manager shall have the authority to review and recommend improvements to the Specifications when deemed necessary. The Manager may reject any Specification not consistent with the Purchasing Policy.
- c) The following requirements shall be followed in the preparation of the Specifications:
 - i) Specifications should be detailed but not brand specific to leave room for potential vendors to provide alternatives in the event an equal or better-proven product or method is available, to maintain a competitive procurement process.
 - ii) Where the Specifications requirements of the Client department will result in a sole or single source purchase, it shall follow the procedure indicated in Schedule I.
 - iii) Vendors may be requested to expend time, money or effort on the content or in the development of Specifications or otherwise help define a requirement to be contained in the Specifications or RFQ, RFP or RFT. A vendor who provides such assistance may be deemed a consultant of the corporation and may be paid a fee and may be unable to submit a Bid in accordance with the Conflict-of-Interest provisions.
 - iv) Where it is not possible to prepare precise Specifications to issue a Request for Quotation or Tender, a Request for Proposals shall be issued. Purchasing in cooperation with the Client department, shall prepare evaluation criteria and weightings for the criteria. The Request for Proposal shall clearly distinguish those requirements that are deemed mandatory and non-mandatory and shall clearly outline how these items shall be evaluated.
 - v) The purchase of sustainable goods and services will be always considered. These goods and services are defined as those having a lesser or reduced effect on human health and the environment when compared to other goods and services that serve the same purpose. Specifications will include, unless otherwise justified, environmentally-responsible products that use recycled materials, are durable,

reusable or are designed to be recycled, consume fewer resources in their manufacture and/or their use and services that use environmentally-responsible practices. When preparing specifications, the Client department may consider sustainability elements as part of the evaluation criteria, if applicable. (See Schedule J - Sustainable Procurement Procedures).

- vi) The Town is committed to the accessibility principles of preventing and removing barriers in accessing goods and services for people with disabilities and is bound by the Standards under the Accessibility for Ontarians with Disabilities Act, 2005 as may be amended from time to time. Specifications shall incorporate accessibility criteria and features when acquiring goods and/or services, if it is practical to do so.
- vii) The following term shall be included within all corporation bid calls, including Quotations, Tenders and Requests for Proposal:

“The Corporation reserves the right, in its sole discretion, to reject any or all bids, and the lowest or highest bid, (if revenue generating) will not necessarily be accepted.”

- d) Notwithstanding and without restricting the generality of the statement immediately above, the corporation shall not be required to award or accept a bid:
 - i) when only one compliant and responsible bid has been received as the result of a call for bids;
 - ii) where the lowest compliant and responsible bidder substantially exceeds the estimated or budgeted cost of the goods or service; and
 - iii) where all bids received fail to comply with the specifications of quotation terms and conditions.

14. PERFORMANCE EVALUATION

- a) At the outset of a project, the Project Manager may institute a performance evaluation process in contracts where the Project Manager and/or the Manager determine that a performance evaluation would be appropriate for the size and/or complexity of the project.
- b) The performance evaluation shall rate the performance of the vendor, contractor or consultant on standard criteria developed, reviewed and revised from time to time by the Manager. A copy of the Performance Evaluations and introductory letter shall be provided to the vendor, contractor or consultant in advance of the contract, and shall remain constant for the duration of the contract. Performance issues shall be noted with a copy to the vendor. Performance issues may also be noted in any site meeting or project meeting minutes.
- c) On completion of the project, if necessary, the Project Manger shall meet with the Manager or designate to review the evaluation. All back-up documents pertaining to any substandard evaluations and comments shall be attached to the evaluation document.

Purchasing will forward a copy of the completed evaluation to the vendor, contractor, or consultant for their records. The vendor, contractor or consultant may request a meeting with the Manager or designate and the Project Manager to discuss the evaluation and shall have ten (10) calendar days following delivery of the evaluation to request an appeal. This appeal shall be forwarded to the Manager.

- d) The appeal shall be conducted by a Dispute Committee which shall hear from both corporation staff and the supplier at a time and place appointed in writing by the Committee. The Dispute Committee shall be comprised of the Manager or designate, and the Department Head of the using department involved and may also include the Project Manager. The decision of the Dispute Committee shall be in writing, and it shall be final.
- e) The performance evaluation shall determine whether a vendor, contractor or consultant will:
 - i) be allowed to renew a contract with the Town;
 - ii) be allowed to tender or respond to requests for proposals for future contracts with the Town;
 - iii) be placed on a probationary list for a minimum of two years during which time it shall be permitted to bid or propose work for the Town; the work of those on probation will be closely monitored;
 - iv) be suspended from bidding on any contracts with the corporation during a three-year period.
- f) No tender, proposal or quotation shall be accepted from any contractor or consultant, nor shall any purchase order be issued for payment during the term of the suspension.
- g) The results of any Performance Evaluation may be disclosed to other municipalities or government bodies upon request.

15. PURCHASE BY NEGOTIATION

The Manager may under the following conditions negotiate with one or more bidders and in such cases the requirement for inviting tenders, proposals or quotations is waived:

- a) when in the judgment of the Manager, goods are judged to be in short supply due to market conditions or due to a declared emergency;
- b) where there is only one source of supply for the goods or services;
- c) when compatibility with an existing product, facility or service is required;
- d) where two or more identical bids have been received;
- e) where the lowest tender or quotation meeting specifications and the terms and conditions exceed the approved budget of the goods and services and it is impractical to re-bid;

- f) when all bids received fail to meet the specifications or tender terms and conditions and it is impractical to rebid;
- g) when no bids are received in a tender or quotation call and it is impractical to re-bid;
- h) when only one bid is received in a tender or quotation and it is impractical to re-bid;
- i) when work is required at a location where a contractor has already been secured through a tender process, with established unit prices and it is considered to be beneficial and cost effective to extend the unit prices for the work to be completed;
- j) after the RFP process, it may be necessary for discussion, clarification and/or revision of the proposal.

When negotiations are deemed necessary, they shall be carried out jointly in co-operation with the department subject to the conditions of this Policy.

The methods of negotiation shall be those accepted as standard negotiating procedures that employ fair ethical practices, as outlined in the Code of Ethics of the Supply Chain Canada and the National Institute of Governmental Purchasing Inc.

A Report to Council will be issued by the using department for approval of goods and or services procured through negotiation over fifty thousand dollars (\$50,000). (See Schedule I).

16. LOBBYING PROHIBITED

If any director, officer, employee, agent, relationship or other representative of a respondent team, makes, from and after the issue date of the bid document, any representation or solicitation to any elected representative or employee or agent of the Town of Halton Hills, or to the media, with respect to the respondent's submission, the Town will be entitled to reject said submission. This requirement does not extend to any public delegation that may be made to Council or a Committee of Council in accordance with the respective Town's Procedural By-laws.

No successful bidder shall engage in any contact or activities in an attempt to influence any elected representative or employee or agent of the Town of Halton Hills with respect to the purchase of additional enhancements, requirements, options, or modules.

At the discretion of the Town, any supplier, who violates the provisions of this paragraph, may be prohibited from any further opportunity to provide goods or services to the Town for a reasonable amount of time as determined by the Manager.

17. BLACKOUT PERIOD

The Blackout period begins when the bid document is issued and ends when the agreement is signed by the Owner and the selected bidder. During the black-out period bidders must conduct all communication about the procurement only with the Purchasing representative.

18. DISPUTE RESOLUTION

To take into consideration any bidders' concerns with regard to award of proposals over two hundred and fifty thousand dollars (\$250,000) and tenders over one million dollars (\$1,000,000), staff will allow one week between notification of the staff recommendation or posting of bid results and the award. If a bidder disputes the staff award recommendation, the bidder may request a debriefing from the Manager or designate. If after this debriefing, the bidder still disputes the decision, an appeal shall be conducted by a Dispute Committee, which shall hear from both Town staff and the supplier at a time and place appointed in writing by the Committee. The Dispute Committee shall be comprised of the Manager of Purchasing or designate, and the Department Head of the using department involved. The decision of the Dispute Committee shall be in writing. The town will establish an impartial authority that is independent of the bid process to receive and review a complaint that cannot be resolved between the parties.

19. CONTRACTOR INTEGRITY

The Town may reject bids and/or terminate existing Contracts for reasons including but not limited to circumstances where:

- a) a contractor has been suspected or convicted of corruption, collusion, bid-rigging, or any other anti-competitive activity or any other offence under the Criminal Code
- b) the Town is likely to incur increased staff legal costs in the administration of the Contract if it is awarded to the Bidder
- c) the contractor has failed to satisfy an outstanding debt to the Town
- d) there are reasonable grounds to believe it would not be in the best interests of the Town to enter into a contract with the bidder

Notwithstanding the foregoing, in cases where the basis for rejection or termination, as set out above is with respect to an individual who is currently an owner or member of the Board of Directors of the contractor, and the individual resigns or is dismissed within a reasonable period of time, the Town may continue to award the Contract or supply arrangement with heightened scrutiny.

20. DISPOSAL OF SURPLUS ASSETS

- a) Where any goods are approved by Management or their designate to be disposed of as per the asset disposal policy and if the market value is between fifteen thousand dollars (\$15,000) and fifty thousand dollars (\$50,000), the Commissioner must approve the sale or disposal. If the market value is greater than fifty thousand dollars (\$50,000) the CAO must approve of the sale or disposal.
- b) Where any goods are approved by Management or their designate to be disposed of as per the asset disposal policy and if the market value of the goods is less than fifteen thousand dollars (\$15,000) as determined by the Manager of Purchasing or designate, the Town may offer the surplus goods to any non-profit entity. When no other use can be found for these items, they shall be added to the surplus list and at the discretion of the

Manager or designate, disposed of through formal auction, internet auction, tender, quotation, trade-in, recycling or waste removal, whichever is in the best interest of the Town.

- c) If the market value of the goods is more than fifteen thousand dollars (\$15,000) as determined by the Manager of Purchasing or designate and Department Head representative, the surplus goods will be disposed of through formal auction, internet auction, tender, quotation or trade-in, whichever is in the best interest of the corporation.
- d) Where the item has limited market value, the Manager or designate may, to the benefit of the corporation, dispose of the item in a manner other than the ones listed above.

21. EXEMPTION TO PURCHASING POLICY

A purchase order is not required for the following items or class of items unless specifically requested by the Requisitioner.

- a) Training, Education and Conferences (for individual staff member, off site - not for onsite training provided to a group of staff members);
- b) Memberships
- c) Subscriptions
- d) Refundable Employee Expenses
- e) Professional and Special Services (Committee fees, witness fees, court reporter fees, honoraria, arbitrators, legal settlements)
- f) Utilities – such as postage, water, sewer, cable television, electricity, natural gas, utility relocations
- g) Other government agencies
- h) Payroll and all related statutory premiums (i.e. WSIB, etc.).
- i) Railway repairs
- j) Grants to agencies
- k) Damage claims
- l) Purchase of real property
- m) Petty Cash Items;
- n) Items under fifteen thousand dollars (\$15,000), not part of aggregate demand.

SCHEDULE A - BID IRREGULARITIES

BID IRREGULARITY

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

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

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

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

A "**mathematical error**" is a deviation in addition, subtraction, multiplication, division or transposition error, which may or may not affect the total price.

APPLICABLE TO ELECTRONIC BIDDING ONLY

	<u>Irregularity</u>	Action Taken
1.	<u>Late Bid</u> : Bid received after the closing date and time specified in the bid document.	Bidding System does not accept late bids
2.	<u>Addenda</u> : Addenda not acknowledged	Bidding System does not accept bids that have not acknowledged all addenda
3.	<u>Site Meeting</u> : Bidder did not attend a mandatory site meeting.	Bidding System does not accept bid from bidders that did not attend the mandatory meeting
4..	<u>Method of Delivery</u> : 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.	<u>Suspended Vendor</u> : Bid received by a Bidder who has been suspended from the bidding process.	Bid Declared Non-compliant unless, at the Owner's sole discretion, it is subject to the exceptions stated in the Town's Purchasing Policy
6.	<u>Format</u> : Bid not on the form supplied by the town or not in the format specified in the bid document.	Bid Declared Non-Compliant
7..	<u>Bid Bond/Agreement to Bond</u> : Bond is missing.	Bidding System does not accept bids that do not have the Bid Bond or Agreement to Bond attached. <u>Bid Declared Non-compliant</u>
8.	<u>Bid Bond/Agreement to Bond</u> : The amount is less than the amount indicated in the bid	Unless in the opinion of the Manager the insufficiency is trivial or insignificant. Bidder

	document.	shall be given five (5) business days to remedy.
9.	Bid Bond/Agreement to Bond: The bonding company is not licensed to conduct business in Ontario.	Bid Declared Non-compliant
10.	Bid Bond: Bond is not an electronically verifiable/enforceable (e-Bond) as indicated in the bid document.	Bidder shall be given five (5) business days to remedy verification
11.	Documents: Documents provided through the Bidding System were not the required ones and/or documents are not legible	Bid Declared Non-Compliant
12.	Qualified Bid: Where the bid has been qualified by changes to specification or major requirements and acceptance would allow an unfair advantage over competitors.	Bid Declared Non-Compliant
13.	Bid Does Not Meet Major Specifications	Bid Declared Non-Compliant
14.	Bid Does Not Meet Minor Specifications	Bid to be reviewed by Bid Review Panel.
15.	Bid Form not Signed	The Bidding System does not accept bids unless the Bidder has checked a box confirming authority to submit a bid on behalf of the Bidder.
16.	Failure to Execute: Fails to execute a contract or supply supplementary documents after Intent to Award letter has been issued.	Bid Set Aside
17.	Other Bid Irregularities	Ruling by Bid Review Panel - Bidder <u>may</u> be given up to five (5) business days to remedy the bid irregularity

SCHEDULE B – PURCHASING CARD POLICY & PROCEDURE

1.0 INTRODUCTION

1.1 Purpose and Scope

The purpose of this policy is to ensure that responsibilities are clearly defined and appropriate authority is delegated within the approved procedures for the use and control of the Town of Halton Hills Purchasing Card Program (Purchasing Card Policy & Procedure).

The Town of Halton Hills (the Town) uses purchasing cards for payment of goods and services where it is efficient, economical and operationally advantageous to do so. The intended benefits of the Purchasing Card are:

- i. reduce the costs of procurement and supplier payment
- ii. improved ease and expediency of purchasing
- iii. improve the timeliness of supplier payments
- iv. improve control over small dollar departmental purchasing
- v. improve management reporting on departmental purchasing.
- vi. provide the ability to purchase products/services online as required.

The Purchasing Card Policy is established as a method of making small dollar value Town purchases (up to fifteen thousand dollars (\$15,000) per transaction, inclusive of taxes and freight), in accordance with this policy.

This policy applies to all employees authorized to use the Purchasing Card Policy for Town business.

All procurement activity must be compliant with the current Purchasing Card Policy and Procedure, the Purchasing By-law and any applicable Corporate Policies and Procedures.

1.2 Delegation & Authority

Department Head, Directors or their designates have the authority to designate issuance of purchasing cards and their respective limits within their departments.

Staff, in receipt of an employee purchasing card, has the delegated authority to purchase goods and services on behalf of the Town, in adherence with this procedure. Employees are authorized to use the Purchasing Card to purchase goods and services (up to fifteen thousand dollars (\$15,000), per transaction inclusive of taxes and freight) in support of sound business practices, with a monthly upset limit ranging from fifteen thousand dollars (\$15,000) to one hundred thousand dollars (\$100,000).

Staff may also be issued Ghost Payment Cards issued in vendors' names. These are used by staff for payment purposes for individually named vendors. There is a card number, but no plastic card. The purchase itself would still follow the Purchasing Policy and imposed quotation

requirements but the payment is made through the Purchasing Card rather than cheque or EFT. Payments may exceed the fifteen thousand dollars (\$15,000) limit per transaction, up to two hundred fifty thousand dollars (\$250,000) per month.

2.0 POLICY

2.1 Administration

- a) The Senior Manager of Purchasing & Risk Management is responsible for the administration of the Purchasing Card Program within the Town of Halton Hills.
- b) Each Purchasing Card will have a unique number, and will be issued in the name of the Town of Halton Hills and the name of the employee who has been authorized to use that Card. **The Card is not transferable to any other employee, even if that other employee is also authorized to use a Purchasing Card on behalf of the Town of Halton Hills. Improper card use may result in the cancellation of the employee's card.**

2.2 Compliance

All purchasing card activity/purchases will be monitored by managers/directors/ commissioners and the Senior Manager of Purchasing & Risk Management to ensure that the use of the card is in compliance with this policy and the employee Code of Conduct.

Non-compliance activities include, but are not limited to:

- a) Purchases over fifteen thousand dollars (\$15,000) inclusive of taxes and freight or the single transaction limit as established by the Department Head except for transactions through Ghost Cards.
- b) Splitting a transaction into two or more transactions to bypass the single transaction dollar limit.
- c) Personal purchases
- d) The collection of personal points through the use of cards such as AirMiles, Optimum etc.
- e) Unauthorized purchases. Unauthorized use means a use that did not benefit the Town of Halton Hills and/or was made by someone other than the cardholder. The Town of Halton Hills is not liable for any unauthorized use of the Card which occurs after notification of loss, theft or cancellation has been received by the US Bank Canada. However, if the loss or theft of a Card is not reported immediately, the Town of Halton Hills may be liable for all unauthorized purchases charged to the account.
- f) Cash advances
- g) Alcoholic beverages
- h) Loan/transfer of the purchasing card to another employee
- i) Use of a junior employee's card when senior staff are requesting the good or service
- j) Failure to submit the appropriate supporting documentation for the reconciliation (i.e. invoices, transaction slips, register receipts, credit vouchers)

- k) Not reporting a lost or stolen purchasing card by the cardholder to US Bank and to the Manager
- l) Non-compliance with the Town of Halton Hills' Purchasing Card Policy and other related Town policies as it relates to the Purchasing Card Policy. Cardholders will be held liable for any misuse or willful disregard of policies or operating procedures that result in a loss of money, fraud or collusion.
- m) Acceptance of cash or a cheque from a vendor who is making a refund for a transaction previously charged to a purchasing card. Such credits must be issued against the same Purchasing Card that the original transaction was charged to.
- n) No authorization approval on the monthly reconciliation.

Purchasing Cards will not be used:

- a) when the cost of the goods or services would be significantly increased as a result of using the Card and an alternative method of payment is available (i.e., a discount is provided by the supplier as a result of not using the Card)
- b) when the supplier does not take a credit card as a means of payment

Actions to be taken with occurrence of non-compliance incidents:

- a) First incident – The Manager will notify cardholder, their Director/Commissioner and Accounts Payable. The Manager will review Purchasing Card Policy with cardholder.
- b) Second incident – The Manager will notify cardholder, their Director/Commissioner and Accounts Payable. The written notification, the Purchasing Card Compliance Form, (Attachment 1) will be filed. The Manager will review Purchasing Card Policy with cardholder.
- c) Third incident – Suspension of the purchasing card for a 12-month period and written notification by the Manager to the cardholder, their Director/ Commissioner and Accounts Payable. Further disciplinary action will be taken as required. The purchasing card can only be re-issued to the cardholder with the written authority of the respective Director/Commissioner and the Manager.

2.3 Statement Cycle

The statement cycle period ends on the 5th of each month (or on the next business day). The balance on each card is reset to zero on the 6th day of each month (or next business day).

Expectations

- a) Cardholders will be advised that their card activity statement is ready for reconciliation through the <https://access.usbank.com> , on or about the 6th of the month. Cardholders do have the option of reconciling daily.
- b) Cardholders have five (5) working days after the 6th of the month to allocate costs to accounts. If they are absent, a delegated person should reconcile the cardholder's statement, or it should be completed prior to the absence.

- c) Cardholders or their designate will approve the transactions in the system, after account costing is completed and receipts are attached.
- d) Cardholders will have their immediate supervisor review and if correct, approve the statement in the online system.
- e) Lost receipts **must** be requested from the supplier, by the cardholder. If a receipt cannot be obtained by the cardholder, this shall be noted in the allocation comment section of the reconciliation website.

3.0 RESPONSIBILITIES

3.1 The Cardholder

The cardholder is responsible for:

- a) Adhering to all conditions and restrictions imposed on the Purchasing Card by the Town of Halton Hills and the US Bank Canada
- b) Completing the Purchasing Card Cardholder Agreement form, (Attachment 2), and acknowledging, and submitting that they have read, understood and accept the conditions, once they have received the card
- c) Ensuring that the Purchasing Card and other documents bearing the Card number are kept in a secure location
- d) **Immediately** notifying the US Bank Canada and the Senior Manager of Purchasing & Risk Management of the loss or theft of the Card
- e) Informing the Manager of Purchasing of cancellation, or change in area of responsibility through the employee's Director/Commissioner.
- f) Returning the Card to the Manager for cancellation, as appropriate, through the employee's Director/Commissioner.
- g) Verifying the amount of Harmonized Sales tax (HST) paid, to allow for accurate rebates in the online reconciliation system
- h) Resolving disputed but not fraudulent charges. Notify the Senior Manager of Purchasing & Risk Management with regards to potential fraudulent purchases
- i) Keeping supporting documentation (i.e., sales slips, cash register and credit card receipts, supplier notices, etc.) related to all purchases made with the Purchasing Card for reconciliation, account verification and audit purposes for a period of three months. If no receipt is available, this must be noted in the Allocation Comments section of the online reconciliation software. Completing the online reconciliation for all transactions on a monthly basis, for **all** purchases made with the Purchasing Card.
 - i. For over-the-counter transactions, or services rendered, the cardholder will certify that the goods have been received when goods are shipped, the cardholder must ensure that the shipment matches the order or sales slip.
 - ii. For telephone orders, the cardholder should have the supplier e-mail a copy of the receipt or instruct the supplier to supply a copy of the receipt with the shipment.

- iii. For Internet orders, the cardholder can attach the receipt provided by the supplier once the order arrives.

3.2 The Department Head, Director/Manager or Supervisor

The Department Head or designate is responsible for:

- a) Assessing the need for Purchasing Cards, in conjunction with the Senior Manager of Purchasing & Risk Management, based on operational requirements
- b) Identifying the employee(s) who will be authorized to make purchases using a Purchasing Card
- c) Completing the online application for their employee including the establishment of the monthly and single transaction credit limit for each cardholder, in conjunction with the Manager
- d) Specifying the types of items to be purchased with the Card, or identify any merchant blocking necessary
- e) Informing the Manager for the issuance or cancellation of Cards, increases or decreases to credit limits, change in department or area of responsibility
- f) Monitoring and controlling the utilization of Purchasing Cards within their department or area of responsibility
- g) Reviewing on a regular basis, the Card Activity statement, for all purchases charged to their budgets
- h) Ensuring immediate supervisors/managers are approving statement reconciliations for their employees
- i) Acting and reporting on non-compliance issues.

3.3 Accounts Payable Clerk

The Accounts Payable Clerk is responsible for:

- a) Developing corporate policies and procedures on purchasing card procurement for goods and services
- b) Administering purchasing card compliance as outlined in the Purchasing policies and procedures
- c) Ensuring that each cardholder is informed of his or her responsibilities regarding the use of the Purchasing Card
- d) Processing requests for new purchasing cards, card changes (increases or decreases to credit limits) and cancellation of cards
- e) Maintaining a database of all card numbers, cardholder's names and signatures, compiling and reporting pertinent Purchasing Card data to the Department Head, as required
- f) Acting and reporting on non-compliance issues
- g) On-going staff training.

4.0 PROCEDURES

4.1 Requests for Purchasing Cards

- a) Personal credit information is not required, as the Card will be issued to the Town of Halton Hills. The liability for authorized charges on the Purchasing Cards rests with the Town of Halton Hills, not the individual cardholder.
- b) Purchasing Cards are expected to be issued within ten (10) working days from the date that the application is received by US Bank Canada. The Cards will be sent directly to the Manager.

4.2 Issuance of Purchasing Cards

- a) Upon receipt of the Cards from the US Bank Canada, the cardholder must ensure that all information on the card is correct. Any inaccuracies are to be reported immediately to the US Bank Canada by the Manager.
- b) The Manager will inform the cardholder of the responsibilities and restrictions regarding the use of the Purchasing Card and obtain a completed Purchasing Card Cardholder Agreement form (Attachment 2) from the cardholder with the issuance of the Card.
- c) The Manager will retain the Purchasing Card Cardholder Agreement form for safekeeping.
- d) The cardholder must store the Purchasing Card in a secure place when not in use.
- e) The cardholder must activate the Purchasing Card by calling US Bank Canada as per the telephone number on the US Bank Canada documentation.

4.3 Cancellation of Purchasing Cards

The cardholder must return the Card to the Manager for cancellation, through the Department Head, when:

- a) specifically requested to return the Card by the Manager or the Department Head
- b) upon termination of employment with the Town of Halton Hills
- c) upon an employee taking a leave.

4.4 Lost or Stolen Purchasing Cards

- a) The cardholder must immediately notify the US Bank Canada of any loss or theft of the Card at 416-306-3630, or toll free at 1-800-588-8065. Lost or stolen Cards can be reported 24 hours a day. The cardholder must also advise the Manager. The Manager will assist the cardholder to complete the necessary paperwork within the timeframe requested by US Bank Canada. If the Card is stolen, the cardholder may be requested to notify the police.
- b) US Bank Canada will issue a replacement card.
- c) If the lost or stolen Card should eventually be recovered or found, it shall be returned to the Manager.

4.5 Change of Address or Change of Department or Area of Responsibility

With respect to a change of department or area of responsibility, the direct supervisor/Department Head will inform the Manager. If the cardholder will no longer require use of the card because of the change in department or area of responsibility, the card will be cancelled by the Manager.

4.6 Disputed Charges

- a) Items charged on monthly statements of accounts that do not accurately reflect the transactions made by the cardholder (i.e. bank errors such as wrong amount, multiple postings of the same item, fraudulent charges, etc.) are considered to be disputed items.
- b) The cardholder must notify US Bank and the Manager. Disputed items reported by cardholders will be credited on the individual statement the following month (provided they are legitimate). The amount indicated on the statement is the amount that should be paid to the US Bank Canada.
- c) The cardholder shall provide information and assistance to the US Bank Canada to settle the disputed items, as required.
- d) If the questionable item is not a bank error but a supplier error (i.e., late delivery, defective goods, wrong price, quantity difference, returned goods, duplicate charges, etc.), the matter must be settled directly with the supplier by the cardholder. Such matters must be drawn to the supplier's attention immediately so as to minimize the delay in obtaining a credit to the Purchasing Card account. Items under dispute with suppliers must not be deducted from monthly statements of accounts.

4.7 US Bank Access Online Website

- a) The US Bank Access Online web page is designed for individual cardholder use. It allows the cardholders to complete the monthly statements and allocate purchases to cost centers.
- b) Cardholders can use the web page to:
 - Receive an electronic daily or monthly statement
 - Reconcile their transactions in their monthly statements
 - Adjust transactions (i.e., allocate purchases to cost centers, adjust HST, or add additional information for use in company-specific reports)
 - Attach their proper receipts
 - Approve their transactions in the workflow
- c) Each cardholder will be provided with the internet address to verify and reconcile their statements daily or monthly, where applicable.

- d) For cardholders that do not have access or use of a desktop computer, a site coordinator will be assigned, that has access to a desktop computer, for reconciliation of the card activity statement.
- e) Once all accounts have been reconciled and approved, the file will be downloaded by Accounting to the Financial System.

4.8 Card Renewal

Each Purchasing Card is issued for a period of three (3) years starting with the month in which the Card is issued. Cards will be automatically renewed unless the Town of Halton Hills' Manager advises US Bank Canada otherwise.

4.9 Management Reports

The management reports produced by the US Bank Canada Access Online software will be provided by the Manager as requested and issued to all Department Head for monitoring purposes.

Attachment 1

PURCHASING CARD COMPLIANCE FORM

COMPLIANCE REPORTING

All purchasing card activity and purchases will be monitored to ensure that the use of the purchasing card is in compliance with the Purchasing Card Policy & Procedure.

Three (3) incidents of non-compliance for the same cardholder will result in the cardholder losing their right to have a purchasing card, the card may be suspended, or other action may be sanctioned.

The purchasing card can then only be re-issued to that cardholder with the written authority of the respective Commissioner and the Manager of Purchasing, after a twelve (12) month period following date of suspension.

First Name	Last Name	Date
Department		

NON-COMPLIANCE ACTIVITIES

- Failure to submit supporting paper documentation for the monthly reconciliation.
(i.e. invoices, transaction slips, register receipts credit vouchers).
- No authorization approval on the monthly reconciliation.
- Loan / Transfer of the purchasing card to another employee.
- Personal purchase of any nature.
- Acceptance of cash or a cheque from a vendor who is making a refund for a transaction previously charged to a purchasing card account.
- A lost or misplaced purchasing card which has not been reported by the cardholder to US Bank Canada and to the Manager of Purchasing.
- Splitting a transaction to avoid the Single Transaction Limit
- Unauthorized purchases.
- Non-compliance with all Town policies and procedures.
- For use of a junior employee's card when senior staff are requesting the good or service.
- Continued late submission of the monthly purchasing card reconciliation to Accounts Payable.
All reconciliation statements and accompanying receipts are to be submitted by 15th of the month.
- Other: _____

COMMENTS

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1 Halton Hills Drive, Halton Hills, Ontario L7G 5G2

Tel. 905-873-2600 Fax: 905-873-2347 Web: www.haltonhills.ca

NOTIFICATION & SIGNATURES

	Date	Nature of Incident			
Incident	Notification To				
First	Card Holder	Print Name		Signature	
	Manager/Commissioner	Print Name		Signature	
	Accounts Payable	Print Name		Signature	

	Date	Nature of incident			
Incident	Notification To				
Second	Cardholder	Print Name		Signature	
	Manager/Commissioner	Print Name		Signature	
	Accounts Payable	Print Name		Signature	
	Human Resources	Print Name		Signature	

	Date	Nature of Incidents			
Incident	Notification To				
Third	Cardholder	Print Name		Signature	
	Manager/Commissioner	Print Name		Signature	
	Accounts Payable	Print Name		Signature	
	Human Resources	Print Name		Signature	

FINAL AUTHORIZATION

Manager of Purchasing	Signature		Date (mm/dd/yy)
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CHANGES COMPLETED

Manager of Purchasing	Signature		Date (mm/dd/yy)
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Attachment 2

Purchasing Card Cardholder Agreement

I, _____, acknowledge receipt of a Purchasing Card issued by the US Bank Canada - Visa associated with Account Number _____ (the "Card"). I acknowledge that the Card has been issued to me to make purchases and approve payments required in the course of my regular duties of employment with the Corporation of the Town of Halton Hills. I fully understand that the purchases made and the payments approved using the Card are to be as authorized by my Manager/ Department Head in accordance with the Town's Purchasing Policy (By law 2022-xxxx).

I understand that the unauthorized use of the card including the following can be considered misappropriation of funds:

- a) Continued late submission of the monthly purchasing card reconciliation to Accounts Payable. All reconciliation statements and accompanying receipts are to be submitted by the 15th of every month.
- b) Failure to submit supporting paper documentation for the monthly reconciliation such as invoices, transaction slips, register receipts or credit vouchers. If no receipt is available, a Missing Receipt notation must be added to the Allocation comments.
- c) No authorization approval on the monthly reconciliation.
- d) Loan / Transfer of the purchasing card to another employee.
- e) Personal purchase of any nature.
- f) Collection of personal points through cards/rewards. (in person point of sale – personal card)
- g) Acceptance of cash or a cheque from a vendor who is making a refund for a transaction previously charged to a purchasing card account.
- h) A lost or misplaced purchasing card which has not been reported to US Bank Canada and to the Manager of Purchasing.
- i) Splitting a transaction to avoid the Single Transaction Limit.
- j) Unauthorized purchases, not reimbursed to the Town.
- k) Non-compliance with all Town policies and procedures.
- l) For use of a junior employee's card when senior staff are requesting the good or service.
- m) Other

This could result in:

- a) Immediate and irrevocable forfeiture of the card and/or
- b) Disciplinary action that could result in termination of employment.

I acknowledge receiving a copy of the Purchasing Card Policies and Procedures. I have read and fully understand all of the requirements and obligations set out in the Policies and Procedures and above, and I agree to comply with and be bound by them.

Cardholders signature _____ Date _____
YY/MO/DD

Plan Administrator's signature _____ Date _____
YY/MO/DD

Cardholder	Limit	Cardholder's Initials	Administrator's Initials
Card has been signed			
Per purchase dollar limit is			
Total monthly credit limit is			

SCHEDULE C - INFORMAL QUOTATIONS

1. The User or Manager is required to solicit a minimum of three (3) written bids for supplies and services with values between fifteen thousand dollars (\$15,000) and fifty thousand dollars (\$50,000) including freight and taxes, using fair and ethical purchasing practices as established by the Manager of Purchasing. These bids shall be kept on file in accordance with the Document Retention by-law.
2. The solicited prices shall be written (email is acceptable).
3. In soliciting prices, the user shall indicate the specifications, terms and conditions equally to all bidders, all of which are to form the basis of the awarded contract.
4. Where a contract is awarded, it shall be awarded to the lowest “compliant and responsible bidder”. Any non-compliant bid may be rejected by the Manager.
5. All quotations received and considered for a purchase made between fifteen thousand dollars (\$15,000) and fifty thousand dollars (\$50,000) shall be attached to the purchase order created by the department with the appropriate approval.
6. The Manager shall monitor these requirements and report non-compliance to the Commissioner of Corporate Services and the respective Department Head.

APPROVAL AUTHORITIES:

Total Purchase Amount	Delegated Purchasing Authority Level
\$15,000 - \$50,000	Managers/Directors
If overbudget	Approval by the Commissioner and Treasurer or CAO, as per the Capital Budget Governance Policy

SCHEDULE D - PROCEDURE FOR REQUEST FOR PROPOSALS

1. The user or Manager is required to solicit a minimum of three (3) written bids for supplies or services with values greater than fifteen thousand dollars (\$15,000) including freight, disbursements and taxes, using fair and ethical purchasing practices as established by the Manager. These bids shall be kept on file in accordance with the Document Retention by-law. Requests for Proposals are used for the purchase of goods or services and shall and may be used in cases where a clearly defined specification is not available or is difficult to develop due to unknown factors or uncertainty of requirements. Requests for proposals are also used to hire consultants.
2. For bids less than fifty thousand dollars (\$50,000), staff may request three (3) informal proposals in writing (email is acceptable). Staff may evaluate and advise the Manager of their evaluation process and of their decision.
3. Request for Proposal documents shall be developed by the client department in consultation with the Manager, for bids greater than fifty thousand dollars (\$50,000).
4. The following procedures shall be used when calling for proposals over fifty thousand dollars (\$50,000):
 - a) Requests for Proposals shall be issued by the Manager and will contain Terms and Conditions as developed by the department and Manager.
 - b) Requests for Proposals shall clearly establish required project scope, outcome and/or requirements.
 - c) Requests for Proposals shall clearly outline the technical and pricing evaluation criteria and applicable ratings assigned that will form the basis of the contract award. The bids shall be evaluated based on those criteria and weighting, subject to amendments to the same released by an Addendum. The effectiveness of the proposal is measured against a set of evaluation criteria, which may include but is not limited to: approach, experience and qualifications, methodology, past performance, scheduling, demonstration of the equipment, price and/or strategy.
 - d) Requests for Proposals shall be posted on the Town and bidsandtenders™ website, at (haltonhills.bidsandtenders.ca) for a minimum of twenty-one (21) calendar days with the exception of goods and services greater than \$300,000 and construction over \$9 million should be posted for a minimum of twenty –five (25) calendar days.
 - e) Selection committee members shall be determined prior to the closing time of the Request for Proposal.
 - f) Requests for Proposals shall specifically outline mandatory and non-mandatory submission requirements. Where a proponent is disqualified for non-compliance with a mandatory requirement, the submissions shall be rejected, and no further evaluation shall take place. Once the compliant submissions have been identified, the evaluation committee shall be provided with instructions for reviewing and the submissions shall be reviewed by the selection committee. Submissions may be considered to be materially compliant, but certain clarifications may be sought after closing.

- g) Where it is deemed necessary by the corporation to revise the proposal documents, an automatic electronic notification will be issued to all registered bidders that a new addendum has been issued. Addenda shall be posted on the Town and bidsandtenders™ website with the Proposal. The onus is on the bidder to ensure that the bidder is in receipt of all addenda prior to the Proposal closing.
 - i. Addenda, that are major in nature, shall not be issued within the forty-eight (48) working hours prior to the Proposal closing. Should it become necessary to issue addenda after the forty-eight (48) working hour deadline, the closing date may be extended to provide bidders the opportunity to examine and act on the addenda requirements.
 - ii. Where it is deemed necessary by the corporation to extend the closing date, an addendum shall be posted on the website. Automatic electronic notification will be issued to all registered bidders that a new addendum has been issued.
 - iii. Where it is deemed necessary by the corporation to cancel a Proposal call, a cancellation notice shall be posted on the website where the bid was posted, stating that the proposal call has been cancelled.
 - iv. Where a Proposal call is cancelled prior to closing, no proposals shall be accepted.
- h) Proposal unit values or contents of Responses shall not be disclosed to the public and shall be held in confidence as proprietary information. Only the contract award price of the successful proponent will be available in the Report to Council if the Report to Council is required.
- i) Specific contract documents may be required. The form of contract shall be determined prior to issuing the Request for Proposal and the contract form, or mention of it, shall be included in the document.

5. Receiving Proposals

- a) Proposals are received electronically through the purchasing software bidsandtenders™.
- b) Proposals received electronically are not released by the purchasing software until the opening time.
- c) A bid is determined to be late when the electronic time stamp through bidsandtenders™ exceeds the closing time. For example, if closing time is 2:00 pm, once the time stamp reaches 2:01:00 pm, the bid will be determined to be late.
- d) The Manager shall maintain a list of all bidders that have downloaded or otherwise received the document.

6. Withdrawal of Proposals

- a) A bidder may withdraw their proposal prior to the closing time. Withdrawal requests shall be completed by the vendor electronically through bidsandtenders™.

- b) The withdrawal of a proposal does not disqualify a bidder from submitting another proposal on the same bid call prior to the closing time.
- c) Withdrawal requests received after closing time shall not be considered.

7. Proposal Opening

- a) Proposals are opened privately immediately after closing time.
- b) A list of proposals received that will be posted on the Town and bidsandtenders™.
- c) Where two or more proposals are submitted by the same bidder, and marked as alternative, both proposals shall be accepted.

8. Evaluation of Proposals and Award of Contract

- a) The Manager shall review the proposals to ensure the proposal contains no major irregularities and determine “compliant and responsible bidders”.
- b) All members of the Selection Committee are to fully review each submission and complete an evaluation matrix as supplied by the Manager through bidsandtenders™. The proposals shall be scored based on a pre-determined set of criteria that is outlined in the bid document and is to include a written rationale for the rankings given. The following items may be considered:
 - i) The bidder’s experience and the ability, capacity and skill of the bidder to perform the contract.
 - ii) Whether the bidder can perform the contract promptly or within the time specified without delay or interference;
 - iii) Reference checks as provided by the bidder or as obtained by the Manager from other agencies;
 - iv) The sufficiency of the financial resources and ability of the bidder to perform the contract;
 - v) Any other evaluation criteria as indicated in the Request for Proposal document.
- c) In considering a contract award, the Manager shall recommend that the award of the contract be made to the highest-ranking proposal that is compliant and responsible or that no award be made.
- d) The Manager shall record in the file every non-compliant Proposal and shall state the reason the proposal is considered non-compliant. The Manager has the authority to reject a non-compliant proposal.
- e) The Manager, following the approval of any required proposal award report, shall notify the successful bidder of the corporation’s intent to award the contract.
- f) Purchase orders shall be signed by the Manger of Purchasing, following approval authorities.

- g) All contracts, whether as a result of a formal or an informal process shall be reviewed by the Manager and executed by the Mayor and Clerk, as authorized in this by-law.
- h) The purchase order or contract, will be executed once any other required documents (insurance, WSIB, EFT, bonds) are submitted to and found acceptable by the Manager.
- i) Where a bidder has been notified of the corporation's intent to award the contract, and the successful bidder fails to execute the contract or to provide any other required documents within the specified time, the Manager may:
 - i) grant the successful bidder additional time to fulfill the requirements: or,
 - ii) cancel the award to that vendor, or,
 - iii) award the contract to the second highest ranked, compliant and responsible bidder pending approval of a revised proposal award report, if required.

9. Negotiated Request for Proposal

The Manager may utilize a Non-binding Negotiated Request for Proposal (NRFP). It is not the intent of the Owner, nor the effect of this non-binding NRFP to initiate or form contractual relations by the submission of a Proposal by any Proponent in response to the non-binding Negotiated Request for Proposal. The NRFP is merely a call for proposals and not a bid call intending to place legally binding obligations on the Owner or any Proponent to enter into a definite agreement or to be bound by any of the terms of this NRFP, unless and until, the Owner had completed the evaluation, negotiation and finalization of a proposal satisfactory to both the Owner and the selected proponent.

APPROVAL AUTHORITIES (subject to Section 12 – Reports):

Total Procurement Value	Procedure	Delegated Purchasing Authority Level
<\$15,000	No formal process required	Manager/Director of Respective department
\$15,001-\$50,000	The department shall conduct an informal request for proposal process soliciting at least three written proposals (email is acceptable). The department shall ensure that fairness and transparency is maintained and that awards for projects are distributed fairly to qualified bidders or consulting firms.	Manager/Director of Respective department
\$50,001 - \$100,000	The Manager shall conduct formal request for proposal. The process will be open and transparent and conducted within the parameters noted above.	Commissioner
\$100,001 - \$250,000	The Manager shall conduct a formal request or proposal. This process will be open and transparent and conducted within the parameters noted above	CAO
>\$250,001	The Manager shall conduct a formal request or proposal. This process will be open and transparent and conducted within the parameters noted above	Council
Overbudget		Approval by the Treasurer (10% or \$25,000) and the next delegated purchasing authority level or CAO (up to \$75,000) and annual disclosure in closed capital report >\$75,000- Council approval

SCHEDULE E- FORMAL QUOTATION PROCEDURES

1. The Manager is required to solicit a minimum of three (3) written bids for goods and services with values between fifty thousand and one dollars (\$50,001) and one hundred thousand dollars (\$100,000) including freight and taxes, using fair and ethical purchasing practices as established by this policy. These bids shall be kept on file in accordance with the Document Retention by-law.
2. The invitation for formal quotations shall be posted on the Town and the bidandtender™ website at haltonhills.bidsandtenders.ca, for a minimum of fifteen (15) calendar days.
3. In soliciting prices, the Town shall indicate the specifications, terms and conditions equally to all bidders, all of which are to form the basis of the awarded contract.
4. The solicited prices shall be submitted electronically. The purchasing system shall electronically stamp the bid submission with the date and time received.
5. Where a contract is awarded, it shall be awarded to the lowest “compliant and responsible bidder”.
6. In determining the “compliant and responsible bidder”, the Manager shall consider the factors set out in Schedule F, Section 17. A quotation shall be considered non-compliant unless it meets all of the mandatory requirements listed in the bid document. Any non-compliant bid may be rejected by the Manager.
7. Formal quotations bid totals shall be released by the purchasing software after closing time.
8. The purchasing software will compile a list of all the bids received.
9. If two or more low formal quotations are submitted in the same amount, the Manager shall provide a recommendation to the CAO for the award and rationale.
10. A purchase order will be prepared by the department and approved by the appropriate Department Head and forwarded to Purchasing for approval and issuance.

APPROVAL AUTHORITIES (subject to Section 12 – Reports):

Total Purchase Amount	Delegated Purchasing Authority Level
\$50,001 - \$100,000	Commissioner
If overbudget	Approval by the Commissioner and Treasurer or CAO, as per the Capital Budget Governance Policy

SCHEDULE F - FORMAL TENDERING PROCEDURES

1. The Manager is required to solicit a minimum of three (3) written bids for goods and services with an estimated cost greater than one hundred thousand dollars (\$100,000) including freight and taxes, using fair and ethical purchasing practices as established by this policy. These bids shall be kept on file in accordance with the Document Retention by-law. The process shall follow CFTA and CETA trade agreements.
2. In soliciting prices, the Town shall indicate the specifications, terms and conditions equally to all bidders, all of which are to form the basis of the awarded contract.
3. The invitation for formal tenders shall be posted on the Town and bidsandtenders™ website at (haltonhills.bidsandtenders.ca) for a minimum of twenty-one (21) calendar days except for goods and services greater than \$300,000 and construction over \$9 million should be posted for a minimum of twenty –five (25) calendar days.
4. The posting shall contain the following:
 - a) The name of the corporation,
 - b) The tender number,
 - c) A general description of the tender complete with securities required,
 - d) The time and date of closing, and any site visits,
 - e) The administrative fee, if any, for tender documents,
 - f) Contact information for vendor inquiries, and
 - g) The website address where bids are posted.
 - h) A statement that the procurement is subject to CFTA (Canada Free Trade Agreement) and/or CETA (Canada-European Union Comprehensive Economic and Trade Agreement).
5. Prior to a call for tenders, the Manager, when deemed to be in the best interests of the Corporation, may utilize a prequalification process (Schedule G).
6. The department in conjunction with the Manager shall prepare the tender documents. These documents shall provide clear instructions, specifications, terms and conditions of the contract.
7. The tender documents shall include the following:
 - a) The tender form
 - b) Standard terms and conditions of the Town of Halton Hills
 - c) Instruction to Bidders
 - d) Special provisions where applicable,
 - e) Specifications,
 - f) Form of Agreement.

8. Tender documents for construction contracts may, in addition to the above, also include:
 - a) Drawings and plans, and
 - b) Requirements for contract securities and bonding
9. A standardized tender form shall be provided to all bidders and shall require the following:
 - a) A statement by the bidder that the bidder reviewed and understands the tender documents, is aware of and has incorporated all addenda into their submission and that the bidder is capable of and willing to perform the requirements of the contract and enter into a legal agreement with the corporation;
 - b) Irrevocable period of the tender response.
10. The following terms shall be included on every tender form:
 - a) "The Corporation reserves the right, in its sole discretion, to reject any or all bids, and the lowest or highest bid (if revenue generating), will not necessarily be accepted."
 - b) Notwithstanding and without restricting the generality of the statement immediately above in Section 10 a), the corporation shall not be required to award or accept a tender, and may choose to either cancel the call for tenders or recall the tenders at a later date:
 - i. when only one bid has been received as the result of a tender call;
 - ii. where the lowest compliant and responsible bidder exceeds the available project budget for the goods or service;
 - iii. when all bids received fail to comply with the specifications of tender terms and conditions;
 - iv. or when a change in the scope of work or specifications is required.
11. Bidder inquiries should be submitted electronically online through the purchasing bidding system by the bidder. The Manager may then forward these questions to the user department. As deemed prudent by the Manager, these questions and their respective answers shall be issued in the form of an addendum and posted on the Town's website for all potential bidders prior to closing. Any questions and answers occurring during site visits or information sessions shall be treated in the same fashion, where possible.
 - a) Where it is deemed necessary by the corporation to revise the tender documents, an automatic electronic notification will be issued to all registered bidders that a new addendum has been issued. Addenda shall be posted on the Town of Halton Hills website with the Tender. The onus is on the bidder to ensure that the bidder is in receipt of all addenda prior to the Tender closing. Bids will not be received

through the system that have not acknowledged all addenda.

- b) Addenda, that are major in nature, shall not be issued within the two (2) working days prior to tender closing. Should it become necessary to issue addenda after the two (2) working day deadline, the closing date may be extended to provide bidders the opportunity to examine and act on the addenda requirements.
- c) Where it is deemed necessary by the corporation to extend the closing date, an addendum shall be posted on the Town at haltonhills.bidsandtenders.ca. Automatic electronic notification will be issued to all registered bidders that a new addendum has been issued.
- d) Where it is deemed necessary by the corporation to cancel a tender call, a cancellation notice shall be posted on the website where the bid was posted, stating that the tender call has been cancelled.
- e) Where a tender call is cancelled prior to closing, no tenders shall be accepted.

12. The Manager has the authority to reject Tenders as outlined in the Bid Irregularities, Schedule A.

13. Tender Security Deposits

- a) Where tender deposits are required, the Manager shall determine the form of deposit, typically 10% of budget.
- b) The tender deposit may be used to mitigate costs or damages to the corporation where a successful bidder fails to execute the contract or furnish any required documents within ten (10) calendar days or as specified within the tender documents after notice to do so, or where a bidder withdraws his tender after tenders have been opened.

14. Receiving Tenders

- a) All tenders shall be received electronically through the bidsandtenders™ software.
- b) The software program will note the date and time received.
- c) The software program will not accept tenders after the closing date and time.
- d) The software program will maintain a list of all bidders that have registered as plan takers.

15. Withdrawal of Tenders

- a) Bidders may edit or withdraw their Bid Submission prior to the closing time and date. However, the Bidder is solely responsible to:
 - i) make any required adjustments to their Bid; and
 - ii) acknowledge the addendum/addenda; and

- iii) ensure the re-submitted Bid is RECEIVED by the Bidding System no later than 2:00:00 p.m. (14:00:00 hours) local time, on the Bid Closing Date.

16. Tender Results

- a) Tenders shall be available on the Town's website haltonhills.bidsandtenders.ca immediately after the tender closes.
- b) The list of bidders shall be available to anyone on the Town's Bidding system at haltonhills.bidsandtenders.ca
- c) Any decision as to acceptance or rejection of bids due to irregularities shall not be made until a review has been conducted, and bidders will be instructed not to conclude any particular award results from the informal tender results.
- d) Where tie bids are received by competing contractors and the bids are low and compliant, the following tie breaking methods may be used as discussed and agreed upon by the tied bidders:
 - i) Two low bidders are allowed twenty-four (24) hours to re-examine their bids to determine if there are any cost savings that may be passed on to the corporation. Only these two bidders may resubmit pricing through the Town. No change to subcontractors shall be allowed after the initial bid closing.
 - ii) The Manager may flip a coin in the presence of the two bidders. The bidder whose bid is stamped with the earliest time of submission may call the coin toss.
 - iii) The outcome of the tie breaking method is final.

17. Award of Contract

The corporation may award a contract based on initial offer received, without discussion. Therefore, each initial offer should contain the vendor's best terms and information and shall contain all required documents. The corporation reserves the right to enter into discussions and/or negotiations with the lowest compliant vendor(s) regarding adjustments to a final contract agreement. Any such adjustments, made or discussed, shall not constitute or be considered as new offers or counteroffers by any party. No vendor shall have any rights against the corporation arising from such negotiations.

If the corporation and the compliant vendor(s) cannot negotiate a successful contract, the corporation may terminate the negotiations and begin negotiations with the next compliant vendor(s). This process will continue until a contract has been executed or all vendors have been rejected.

- a) In considering a contract award, the Manager shall recommend that the award of the contract be made to the lowest compliant and responsible bidder. Any non-compliant bid may be rejected by the Manager. In determining "compliant and responsible bidder", the Manager shall review the bid to ensure the bid contains

no major irregularities. These items shall be considered in the Tender stage:

- i) The bidder's past record, if any, in performing work on behalf of the corporation, and the ability, capacity and skill of the bidder to perform the contract.
 - ii) Whether the bidder can perform the contract promptly or within the time specified without delay or interference;
 - iii) Reference checks as provided by the bidder or as obtained by the Manager from other agencies;
 - iv) The sufficiency of the financial resources and ability of the bidder to perform the contract;
 - v) Any other evaluation criteria as indicated in the Request for Tenders document.
 - vi) In all cases, a bid may be considered non-compliant when a bidder is unable to satisfactorily demonstrate his ability to complete the work, either through references, listings of past projects or experience with the corporation.
- b) Where any of the tender major specifications or deposit requirements have not been met, the tender shall be considered a "Non-compliant Tender". An example of a non-compliant bid would be the equipment model quoted is significantly less than the model specified (i.e., engine, payload).
- c) The Manager shall record in the file every non-compliant Tender, and shall state the reason the tender is considered non-compliant. The Manager has the authority to reject a non-compliant tender.
- d) The Manager shall notify the successful bidder of the corporation's intent to award the contract.
- e) Where a formal contract is required, it shall be submitted, to the successful bidder for execution.
- f) Where a bidder has been notified of the corporation's intent to award the contract, and the successful bidder fails to execute the contract or to provide any other required documents within the specified time, the Manager may:
- i) grant the successful bidder additional time to fulfill the requirements; or,
 - ii) award the contract to the second lowest, compliant and responsible bidder pending approval of a revised tender award report, or,
 - iii) cancel the award.

APPROVAL AUTHORITIES (subject to Section 12 – Reporting):

Total Purchase Amount	Delegated Purchasing Authority Level
\$100,001 - \$250,000	Commissioner
\$250,001 - \$1,000,000	CAO
>\$1,000,000	Council
If overbudget	Approval by the Treasurer (10% or \$25,000) and the next delegated purchasing authority level or CAO (up to \$75,000) and annual disclosure in closed capital report >\$75,000 – Council approval

SCHEDULE G - PRE-QUALIFICATION PROCEDURES
FOR A PARTICULAR PRODUCT OR SERVICE

1. The Manager of Purchasing may conduct a request for pre-qualification for any goods, services, or construction for the purpose of selecting qualified bidders to ensure that each supplier bidding can demonstrate its ability to provide the necessary expertise and resources to satisfactorily complete the work required.
2. When a request for pre-qualification is issued, a prequalification bid document shall be available to potential bidders setting out the criteria for pre-qualification, which may include, but is not limited to:
 - a) Experience of similar work
 - b) Reference provided from other customers for similar work
 - c) Verification of applicable licenses and certificates
 - d) Capacity to fulfill the contract requirements
 - e) Financial capability
3. The selection of bidders following a request for pre-qualification shall not create any contractual obligation between the Town and the pre-qualified bidder. When utilized, the request for pre-qualification is a precursor to a request for quotation, tender or proposal. Only the pre-qualified bidders may then submit quotes, proposals or tenders for the project.

SCHEDULE H – REQUEST FOR INFORMATION
or REQUEST FOR EXPRESSION OF INTEREST

FOR A PARTICULAR PRODUCT OR SERVICE

1. The Manager of Purchasing may conduct a Request for Information or a Request for Expression of Interest for any goods, services or construction for the purpose of conducting market research to determine what goods and services are available which will meet business or operational requirements and acquisition strategies and/or may occasionally request project estimate costs for the purpose of developing a solicitation. This may be used to determine if there is sufficient resources and information to justify a Request for Proposal or Request for Tender in the future.
2. When a Request for Information or Request for Expression of Interest is issued, the bid document shall be made available to all potential bidders. Information requested may include, but is not limited to:
 - a) Information and advice as requested in the bid document
 - b) Identification and key factors that the respondent recommends
 - c) Price range for budget purposes
3. No contractual obligations are formed through this process. This process may not be used to prequalify proponents.

**SCHEDULE I - SINGLE OR SOLE SOURCED PROCUREMENT and
STANDARDIZATION and EMERGENCY PROCEDURES**

1. In certain infrequent and/or unique circumstances, the corporation will not have the ability to go through a competitive process for its procurement activity. This section applies to non-competitive purchasing when staff is required to go directly to one supplier to meet the requirements of the procurement.
2. There are two main types of direct awards:
 - a) Single sourcing is the use of a non-competitive procurement process to acquire goods, services or construction from a specific supplier even though there may be more than one supplier capable of delivering the same goods, services or construction.
 - b) Sole sourcing means the use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for the source of the goods or service.

SINGLE SOURCING:

Allowable exceptions for competitive procurements include:

- a) Where an unforeseen situation of urgency exists and the goods, services or construction cannot be obtained by means of open procurement procedures.
- b) When due to market conditions, required goods or services are in short supply
- c) Where materials or services are to be purchased and a strong business case can be demonstrated that transportation costs or technical considerations impose geographic limits on the available supply base (e.g. aggregates, asphalt and concrete for use in the construction or repair of roads)
- d) When there is merit in purchasing under exceptionally advantageous conditions that only arise in the very short term due to liquidation, receivership or bankruptcy;
- e) When there is a strong business case to extend a contract beyond its initial scope or term, such as additional work is required that pertains to a current or recently completed project;
- f) When the project is a pilot with the understanding that, if successful, further work shall be subject to a tender process;
- g) When required goods are compatible with equipment presently being used (i.e. accessories to equipment or for warranty purposes). See also Schedule I, Standardization.
- h) When the nature of the assignment is confidential and disclosure to several bidders is inappropriate;
- i) When all tenders or bids received are non-compliant or fail to meet specifications or terms and conditions, and it is impractical to recall tenders or quotations.
- j) Repairs to equipment where it is not feasible to obtain quotes such as vehicles or large equipment in facilities.

SOLE SOURCING:

In a situation where only one supplier can meet the requirements of procurement, the Manager may use procurement procedures that differ from those in Schedules C through H of this policy in the following circumstances:

- a) To ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licenses, copyright and patent rights, or to maintain specialized products that shall be maintained by the manufacturer or its representative;
- b) Where there is an absence of competition for technical reasons and the goods or services can only be supplied by a particular supplier and no alternative or substitute exists;
- c) For the procurement of goods or services, including utilities, that the supply of which is controlled by a supplier that is a statutory monopoly;
- d) For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor;
- e) For work 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 (i.e. equipment, building repairs);
- f) For the procurement of a prototype or a first good or service 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;
- g) For the procurement of original works of art;
- h) For the payment of maintenance fees for railway repairs
- i) For the procurement of real property.

In sole or single source situations as noted above, the department shall provide a rationale for sole or single sourcing the award and seek authorization as noted below.

The Manager shall be involved in any negotiated contracts over fifty thousand dollars (\$50,000) for supplies and/or services and any agreements resulting from such negotiations may only be executed by the Manager in the form of a purchase order or by the Mayor and Clerk in the form of a contract.

STANDARDIZATION:

1. Standardization is the adoption of a single product or group of products to be used by one department or more departments over a period of time.
2. Standard procurement procedures will be used, if possible, to determine the product that will become the Town standard.
3. If standard procurement procedures are not able to be followed, the using department shall submit a Single Source/Standardization report to the Manager of Purchasing with approval based on the chart below supporting the need to follow a "standardization" method of sourcing a particular product, service or support activity, whereby a particular source of supply may be identified based on technical specifications and sourced to the exclusion of others. This process will allow for a reduction in the number of supplies and services required, maximize volume buying opportunities via economies of scale,

reduced handling, training and storage costs, and increased co-operative purchasing opportunities.

4. All standardization approvals shall remain in effect until the approved standard becomes redundant or is superseded by new technology or processes at which time a new standardization approval shall be sought.

EMERGENCY PURCHASES:

1. When an emergency occurs, the Manager has the authority to issue a purchase order, upon receiving a written or verbal request from the Department Head concerned, for the goods or services required. For expenditures more than \$25,000, the Manager and the Department Head shall obtain the prior approval of the CAO.
2. After the emergency is over, any expenditure over \$50,000 shall be reported to Council for information purposes only.
3. If a formal declared emergency exists, the Manager of Purchasing or designate, in conjunction with the Commissioner of Corporate Services and/or Town Treasurer and the CAO or designates will determine the appropriate limits and procedure to be followed for purchasing cards, quotations, proposals and tenders, taking appropriate steps to obtain the necessary goods and services. All goods and services purchased during the declared emergency will be logged and reported back to Council for information purposes upon return to normal business operations.

APPROVAL AUTHORITIES:

Total Purchase Amount	Delegated Purchasing Authority Level
<\$15,000	Supervisor/Manager/Director
\$15,001 - \$25,000	Commissioner
\$25,001-\$50,000	CAO
>\$50,001	Council

SCHEDULE J - SUSTAINABLE PROCUREMENT PROCEDURES

Procedure Statement

The purpose of this procedure is to acquire goods and services (“products”) from suppliers that generate positive environmental outcomes, and to integrate sustainability considerations into product selection so that negative impacts on society and the environment are minimized throughout the full life cycle of the products. These products and services need to also serve the town’s overall target of being net zero by 2030 and enhance the town’s assets’ resiliency to climate change. Environmentally preferred procurement considers the environmental impacts of products as they relate to production, manufacturing and operational process, distribution, use, maintenance, and disposal.

The Town recognizes its responsibility to minimize the negative impacts on human health and the environment while supporting a diverse and prosperous sustainable community. Staff is encouraged to consider procuring environmentally friendly products as part of their purchasing decisions. Purchasing environmentally preferred products demonstrates the Town’s leadership and support for greener business practices, while achieving value for money through the consideration of life-cycle costs.

Objectives

The objective of this procedure is to purchase environmentally friendly products in which product value and lowering the impact on the environmental and human health are considerations as well as assisting the Town in reducing town GHG emissions and enhancing the resiliency of town assets with regards to changing climate. The procedure contributes to sustainable development by meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Environmental considerations are to be given to all phases of a product’s life cycle, including raw materials, acquisition, production, manufacturing, packaging, distribution, operation, maintenance, and disposal, including potential for reuse or ability to be recycled.

By including environmental considerations in purchasing decisions, the Town can influence the manner in which products are provided that improve public health, conserve natural resources and reward environmentally conscience manufacturing, while remaining fiscally responsible. Green purchases shrink an organization’s environmental footprint, resulting in reduced demand on water, natural resources and energy, while minimizing the generation of waste and emissions.

Definitions

Environmentally Preferred - an environmentally preferred product or service will meet the criteria of a recognized third-party certification program, where such a certification exists for that product category.

Third Party Certification – refers to an independent organization that licenses and certifies products that meet stringent sustainable standards developed by the organization. Some of

the known certification programs most frequently used to certify environmentally preferred products are:

- Canadian Green Building Council (CAGBC) including NetZero
- Canada Organic
- Climate Neutral Certified
- ecoAction
- Electronic Products Environmental Assessment Tool (EPEAT)
- Energy Star
- Environmental Choice
- Envision
- Fairtrade Canada
- Forest Stewardship Council (FSC)
- Green Seal
- Greenguard
- Leadership in Energy and Environmental Design (LEED)
- LEED Zero Carbon/energy/water/waste
- Sustainable Forestry Initiative (SFI)

Guidelines and Procedures

The Town shall seek opportunities to encourage and influence markets for environmentally preferred products through employee education; supporting pilot testing of potential new products (when appropriate); adopting innovative product standards, specifications, and contracts; leveraging region-wide buying expertise and embarking on cooperative ventures with other jurisdictions.

Wherever possible, the following environmental goals will be incorporated into procurement transactions for goods and services.

1. Conserving Resources involves purchasing goods and services that:

- reduce consumption of resources (e.g., water, energy, raw materials)
- maximize recycled, post-consumer content
- require less packaging and/or will be taken back for recycling or reuse
- promote durability and can be reused, recycled, and repaired
- minimize toxicity
- contains re-usable parts
- protects indoor and outdoor air quality

2. Protecting Human Health and the Environment involves purchasing products that:

- are made from environmentally sustainable harvesting or extraction practices

- reduce or eliminate toxic substances released and/or used in their production are properly managed at the end of their useful life
- minimize pollutant releases
- minimize impacts on biodiversity
- minimizes human health impacts

3. Achieving NetZero Carbon involves purchasing products that:

- promote the use of clean energy sources and renewable technologies
- reduce the dependency on fossil fuels
- minimize greenhouse gas emissions resulting from operations
- minimize greenhouse gas emissions in the community
- comply with the Town's long term resiliency plan - Climate Change Adaptation Plan (CCAP)
- enable maximum adaptability of the Town's operations/assets with the changing climate
- provide consideration of embodied carbon for long life products/services which includes the calculation of carbon emissions through the life cycle of the product.

Wherever possible, the Town will rely on third party certification for identification of environmentally preferred products and services. The third-party certification process will provide a minimum standard by which to select environmentally preferred products and services. Additional environmental criteria can be added to the requirements, on an as needed basis.