The Corporation of the Township of North Frontenac

By-law # 2026-36

Being a By-law to adopt a Policy to Govern the Purchasing of Goods and Services by the Township of North Frontenac; and to Repeal By-law #94-16, #100-19, #47-22 and #2026-29

Whereas Section 5 of the *Municipal Act*, S.O. 2001, as amended, states that the powers of the Municipal Council shall be exercised by By-law, unless the municipality is specifically authorized to do otherwise;

And Whereas Section 270(1) of the *Municipal Act*, S.O. 2001, as amended, states that a municipality and a local board shall adopt and maintain Policies with respect to its procurement of goods and services;

Now Therefore Be It Resolved That the Council of the Corporation of the Township of North Frontenac hereby enacts as follows:

1. That the Procurement Policy attached hereto as Schedule “A” of this By-law is hereby adopted by Council.

2. That Schedule “A” attached hereto shall be read with and form part of this By-Law.

And That By-laws #94-16, #100-19, #47-22 and #2026-29 are hereby repealed;

And That all resolutions, by-laws or parts of by-laws, which are contrary to or inconsistent with this by-law, are hereby repealed;

And That this By-law shall come into force and take effect on the date of final passing.

Read a first and second time **June 11, 2026.**

Read a third time and finally passed this **June 11, 2026.**

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Gerry Lichty, Mayor

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Tara Mieske, Clerk

Procurement Policy

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1 Short Title, Policy Statement, Purpose and Scope

1.1 Short Title

This By-law shall be known and may be cited as the “Procurement Policy”.

1.2 Policy Statement

Pursuant to Section 270 (1) of the Municipal Act, the Municipality is required to adopt policies with respect to the Procurement of Goods and Services. The purpose and objective of the Policy is to define the approach to be used by the Municipality for the Procurement of Goods and Services. This includes the nature of Procurement activities to be undertaken and the levels of authority assigned to Municipal staff and Council for the initiation and approval of Procurements.

1.3 Purpose

This Policy establishes the rules governing the Procurement of Goods and Services in order to:

- ensure openness, fairness, accountability and transparency while protecting the financial best interests of the Township of North Frontenac;
- set out guidelines for the Municipality to ensure that all purchases of materials, supplies and services provide the lowest costs consistent with the required quality, service, product delivery, efficiency and effectiveness;
- adhere to the highest standards of ethical conduct and to avoid conflicts between the interests of the Township and those of the Township's employees and elected officials;
- ensure compliance with applicable trade agreements, laws and regulations; and
- encourage due regard for the preservation of the natural environment.

1.4 Scope

1.4.1 This Policy applies to the Procurement of all Goods and Services, except those items set out within Schedule “B”.

1.4.2 This Policy applies to all departments, committees and volunteers within the Township.

1.4.3 This Policy applies to the disposal of Township assets, except artifacts and real property including land, buildings, leasehold interests, easements, encroachments, licenses and rentals.

1.4.4 The following schedules are attached to form part of the Policy;

- Schedule A - Table of Standard Procurement Process and Approval Authority by Dollar Threshold
- Schedule B - Exclusions
- Schedule C - Approvals
- Schedule D - Administering Irregularities in Bid Opening

2 Interpretation and Definitions

2.1 Headings

The division of this Policy into parts and the insertion of headings are for convenient reference only and must not affect the interpretation of the By-law.

2.2 References to Applicable Laws

All references to applicable policies, By-laws, statutes and regulations apply as amended, revised or replaced from time to time.

2.3 Definitions

For the purposes of this Policy, unless a contrary intention appears:

“Approved Budget” means the annual operating and capital budget adopted by Council;

“Authorized” in relation to a Person, means authorized by this Policy to act on behalf of the Township of North Frontenac to: (i) initiate Bid Requests and other forms of Procurement activities; (ii) govern the conduct of a Bid Request; and (iii) make an Award;

"Bid” means an offer or submission in response to a Solicitation Document;

“Bid Documents” means the documents issued by the Township of North Frontenac in connection with a Bid Request;

"CAO” means the Chief Administrative Officer of the Township, where the designation of CAO appears throughout this document, it will hereinafter mean CAO or CAO back-up in the absence of the CAO;

"Contract” means a commitment by the Township for the Procurement of Goods and Services from a Supplier which may be evidenced by a;

- Solicitation Document;
- Agreement executed by the Supplier and the Township; or
- Purchase Order issued to the Supplier by the Township.

"Cooperative Procurement" means the purchase of Goods or Services with other Municipalities and/or Government agencies to leverage their collective purchasing power.

"Council" means the Council of the Township of North Frontenac;

"Electronic Tendering System" means a world wide web or Internet based system that is used by purchasers of Goods and Services to submit Bid Requests;

"Emergency" means a situation, or the threat of an impending situation, which, affect the environment, the life, safety, health or welfare of the public, or the property of the residents of the Township;

"Goods and Services" includes but is not limited to Goods, Services, Construction and Consulting services;

"HST" means harmonized sales tax;

"Legislation" means all applicable Laws, Regulations, By-laws, Policies and Trade treaties/agreements;

"Municipal Act" means Municipal Act 2001, S.O. 2001, c.25, as amended;

"OPSS" means the "Ontario Provincial Standard Specifications";

"Person" includes individuals, corporations, partnerships, firms and trusts and may include Council;

"Policy" means this Procurement Policy;

"Proposal" means an offer to supply Goods and Services on which end results are outlined but no detailed Specifications were given to the Bidders as to the Goods and Services or how the work is to be performed, presented through a publicly advertised Request for Proposal;

"Purchasing card" is a type of corporate credit card that helps to simplify the purchasing activities for low-cost items. Purchasing cards are assigned to a specific employee or department.

"Purchase Order" or "PO" means a written offer from the Township of North Frontenac to Purchase Goods and Services;

"Quotation" means an offer to sell Goods or provide Services obtained from selected sources of supply to provide stipulated Goods and/or Services at a particular price and with specified terms or conditions. Quotations may be received by mail, e-mail, in office/person;

"Request for Proposals" or "RFP" means a request for Bids comprised of a technical and financial proposal that involves an evaluation of the elements in the technical process as well as prices;

"Request for Quotation" or "RFQ" means a request to a select class of Vendors for prices on specified Goods and Services;

“Request for Tender” or “RFT” means a request for Bids comprised of proposed prices for, Goods and Services from Vendors (where the Goods and Services are specified in the RFT);

“Single Source" means the process of procuring of Goods and Services from a particular Vendor without the utilization of a Bid Request issued to other potential Vendors;

"Supplier" means a person carrying on the business of providing Goods and Services, Construction or Consulting Services;

"Tender" means a sealed Bid that contains an offer in writing to execute some specified Services or to supply certain specified Goods for a certain price provided in response to a publicly advertised Request for Tender;

“Total Acquisition Cost (TAC)” means the Township of North Frontenac’s estimate of the amount of a particular Contract plus any applicable Federal and Provincial taxes, less any applicable rebates;

"Township" means The Corporation of the Township of North Frontenac;

“Treasurer” means the Treasurer of the Township of North Frontenac, where the designation of Treasurer appears throughout this document, it will hereinafter mean Treasurer or Deputy-Treasurer; and

“Vendor” means any Person supplying Goods and Services to the Township of North Frontenac.

3 Authority and Responsibility

3.1 General

Specific responsibilities pertaining to all stages of a Procurement process, from the initial identification of requirements through to the management of Contracts with Suppliers, are detailed in this By-law and the Township's Procurement procedures. In addition to those specific responsibilities, the general roles and responsibilities of the Township's elected officials and employees are set out below.

3.2 Council

In accordance with best practices in Municipal Procurement, Council recognizes the need for a clear separation of political and administrative functions in relation to the Township's Procurement operations as follows:

- It is the role of Council to establish Policy and to approve expenditures through the Township's budget approval process. Through this By-law, Council delegates to the Township's employees the authority to incur

expenditures under approved budgets through the acquisition of Goods and Services under the rules and processes set out in this By-law.

- To avoid the potential appearance of bias or political influence in Procurement Contract award decisions, members of Council will have no involvement in competitive Procurement processes.

3.3 Chief Administrative Officer (CAO)

The CAO is the officer with the responsibility and authority for exercising general control over the activities contemplated by this Policy, including ensuring Department Managers, employees, and any and all other persons conducting Procurements and/or disposing of surplus assets comply with the requirements of this Policy.

3.4 Treasurer

It is the role of the Treasurer to oversee the Procurement process for the Township and provide support to ensure the goals and objectives of this By-law are met. In fulfilling this role, the Treasurer is responsible for:

- establishing administrative procedures and policies for the implementation of this By-law;
- ensuring compliance with this By-law and reporting noncompliance, in writing, to the appropriate Department Manager and/or the CAO where warranted; and
- to keep abreast of Legislative changes that may impact the Township's Procurement processes.

3.5 Department Manager

It is the role of the Department Manager to ensure that the requirements for Goods and Services are met under the goals and objectives of this By-law. In fulfilling this role, the Department Managers are responsible for:

- exercising their approval authority for all Procurement activity within the prescribed limits of this By-law;
- ensuring that all Procurement activities and decisions are authorized by this By-law and are carried out under the Township's Procurement procedures; and
- monitoring all Contract expenditures to ensure compliance with financial limits.

4 Conduct and Conflicts of Interest

4.1 Council and Township Employees

4.1.1 The Township's Procurement activities must be conducted with integrity to maintain the public's trust. All Procurement activities undertaken by the Township must be conducted under all Policies and Statutes including;

- the Township's Code of Conduct for Employees as it pertains to purchasing on behalf of the Township, as applicable. This Code of Conduct is also applicable to volunteers, where directed; and
- the *Municipal Conflict of Interest Act,*R.S.O. 1990, c. M.50, as applicable

4.1.2 Where a Person with the ability to influence or otherwise affect the outcome of a decision to Award a Contract or to select a Bidder, either on his or her own behalf, or while acting for, by, with or through another Person, has any Pecuniary interest in the subject matter of such Contact or Bid Request, that Person:

- Shall immediately declare any real or perceived Conflict of Interest to the Authorized Person and shall describe the general nature thereof, provided that:
    - In the case where a Manager is the Authorized Person and such Manager has a Conflict of Interest, the Manager will disclose his or her Conflict of Interest to the CAO. The CAO shall then make such directions and take such steps as are necessary to ensure that the provisions of this Policy are adhered to;
    - In the case where the CAO is the Authorized Person and also has a Conflict of Interest, the CAO shall disclose his or her Conflict of Interest to CAO Back-up. CAO Back-up shall then make such directions and take such steps as are necessary to ensure that the provisions of this Policy are adhered to;
    - shall not take part in any deliberations regarding the Award of the Contract including any vote in relation there to; and
    - shall not attempt in any way to influence the Award of the Contract.

4.1.3 An Employee/Council has a Conflict of Interest, they must immediately declare to their Manager, any real or perceived Conflict of Interest if any of the following situations occur:

- interacting with, managing, supervising or overseeing the work of family members (spouse, domestic/common-law partner, child, parent, sibling) and/or former employees of the Township and/or anyone with whom they have a close personal relationship or have a personal interest with who are working for suppliers in any capacity;
- a Shareholder in, or a Director or Senior Officer of a Corporation that does not offer its securities to the public that has any interest in the Contract; or
- Is a member of an incorporated Association or Partnership, that has any interest in the Contract.

4.2 Suppliers

4.2.1 All participants in the Procurement process, including any Suppliers acting on the Township's behalf, must declare any perceived, possible or actual conflicts of interest.

4.2.2 Illegal or unethical bidding practices include:

- bid-rigging, price-fixing, bribery, collusion or other behaviors or practices prohibited by Federal or Provincial statutes;
- attempting to gain favor or advantage by offering gifts or incentives to Township employees, members of Council or any other representative of the Township;
- lobbying members of Council or Township employees or engaging in any prohibited communications during a Procurement process;
- submitting inaccurate or misleading information in response to a Procurement opportunity;
- engaging in any other activity that compromises the Township's ability to run a fair Procurement process; and
- the Township, where appropriate, will report suspected case of collusion or other bid-rigging offences under the *Competition Act,*R.S.C., 1985, c. C-34 to the Competition Bureau or to other relevant authorities.

4.2.3 In providing Goods and Services to the Township, Suppliers are expected to adhere to ethical business practices. This includes performing all Township Contracts in a professional and competent manner and under the terms and conditions of the Contract; and complying with all applicable laws, including safety and labour codes (both domestic and international as may be applicable).

No Invitational Competition or Open Competition will be awarded to any Supplier which has a claim, has threatened to or has instituted a legal proceeding against the Township or against which the Township has a claim or has instituted a legal proceeding with respect to any previous Contract, without approval of Council. For purposes of this provision, a legal proceeding includes an arbitration and/or a proceeding before the Ontario Land Tribunal.

5 General Provisions

The provisions of this Policy must be followed by all Persons who act on behalf of the Township in issuing and/or conducting a Bid Request and/or making an Award. Where an employee is involved in the Award of any Contract, either on his or her own behalf, or while acting for, by, with or through another person, has any Conflict of Interest, direct or indirect, in the Contract, the employee, shall follow the requirements in the document under Part 4 “Conduct and Conflict of Interest”.

If a Procurement situation arises that is not addressed by this Policy, the CAO may approve an alternate process on a case-by-case basis, provided the decision is documented, the rationale is recorded, and the process remains consistent with the principles of fairness, transparency and best value. Any deficiency will be addressed in future updates of the Procurement Policy.

5.1 Compliance with Legislation and Trade Agreements

5.1.1 All Procurement activities must comply with applicable Legislation, including but not limited to:

- Municipal Act, 2001
- Municipal Conflict of Interest Act
- Broader Public Sector Accountability Act, 2010
- Construction Act
- Accessibility of Ontarians with Disabilities Act, 2005
- Freedom of Information and Protection of Privacy Act
- Occupational Health and Safety Act

- Ontario Human Rights Code
- Buy Ontario Act

5.1.2 All Procurement activities must comply with applicable trade agreements, includes but not limited to:

- Canadian Free Trade Agreement (CFTA)
- Canadian-European Union Comprehensive Economic and Trade Agreement (CETA)

If there is a conflict between this Policy and applicable Legislation or trade agreement obligations, the applicable Legislation or trade agreement prevails to the extent of the conflict.

5.2 Donations

5.2.1 If a donation has been approved by Council Resolution for the purchase of a specific type of item, the item will be ordered by the Authorized Person and will be required to follow the appropriate Purchasing Method as laid out in this Policy. The Donor will then provide their donation amount as set out in the Resolution.

5.2.2 Exception for item purchased and paid for by the donor. This type of donation shall be approved by Council Resolution prior to accepting such donation.

5.2.3 To ensure compliance with the Township practices, policies and procedures, the authorized person shall provide Council with an Administrative Report prior to Council making a decision on any donations.

5.3 Operational Purchases

5.3.1 Prior to the approval of the annual budget, operational purchases up to 50% of the value of the preceding years budget item may be made without Council approval. Council approval must be obtained if purchases are beyond the 50% limit and occurring before the approval of the annual Budget.

5.4 Procurement Value

5.4.1 The Procurement Value must be estimated to determine the appropriate Procurement method and to ensure compliance with the requirements of this Policy and any Legislative requirements.

5.4.2 Procurements of Contracts must not be subdivided, split or otherwise structured to reduce the Procurement Value or in any way to circumvent the requirements of this Policy.

5.5 Notification of Procurement Opportunities

5.5.1 Procurement opportunities for Goods and Services must be posted on the Township website and may be supplemented by other advertising methods selected by the Department Manager or required by Legislation, including newspapers, trade websites, electronic tendering systems or social media. Where possible, notices should be posted 3 to 6 weeks before the bid closing date.

6 Standard Procurement

Refer to Schedule A – Table of Standard Process and Approval Authority by Dollar Threshold.

Standard Procurement processes include direct Procurement, Informal Procurement, Invitational Competition and Open Competition, as applicable to the Procurement value and the nature of the requirement. Any negotiations following receipt of bids or proposals must be conducted only where permitted by the solicitation document and in accordance with applicable law and trade agreement obligations.

6.1 Request for Tender (RFT)

The Department Manager whose budget provides for the Procurement must be responsible for the preparation of Specifications for the RFT.

RFT criteria:

- cost is anticipated to be $75,000.01 or greater;
- requirements can be fully defined;
- best value for the Municipality can be achieved by an award selection made on the basis of the lowest bid that meets all terms, conditions and specifications.

6.2 Request for Proposal (RFP)

Where it is not possible to prepare precise specifications, or where otherwise appropriate, the Department Manager will issue a Request for Proposal, which will include evaluation criteria and weightings for the criteria such as, but not limited to, qualifications, experience, strategy, approach, methodology, facilities and equipment. The documentation must clearly distinguish those requirements that are deemed mandatory or non-mandatory and must clearly outline how these items will be evaluated. All Proposals received are scored in accordance with the pre-determined evaluation criteria.

RFP criteria:

- cost is anticipated to be $75,000.01 or greater;
- requirement is best described in a general performance specification;
- innovation solutions are sought;
- to achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements;
- award will be based on the highest score based on the evaluations criteria.

6.3 Expression of Interest

An Expression of Interest (EOI) is an information-gathering process only and does not create any contractual rights or obligations. If the Township intends to limit a subsequent invitational Procurement to respondents to the EOI, that intention must be clearly stated in the EOI document.

6.4 Two-Envelope Procurement Process

When acquiring Goods and Services and where an evaluation of experience and qualification is required, the Township may employ the Two Envelope Method and must only consider the financial envelope containing the prices of the Supplier if the technical envelope has permitted the Evaluation Committee to determine that the Supplier has the necessary technical and qualitative requirements to perform the project engagement. The Evaluation Committee may consist of the Treasurer, the Department Manager of the project, and the CAO or designate.

6.5 Council Approval Requirements

Council approval is required for the following Procurements (Notwithstanding any other provision of this Policy):

- any Contract prescribed by statute to be made by Council

- any Procurements that are not compliant with the provisions of the Policy
- the project is not specifically identified within the Council approved budget and is over the approval amount as per the authorization charts in Schedule “C”; and/or
- any recommendations to amend the total value of a Contract where:
    - the amount of the amendment is equal to or more than the greater of 20% of original Procurement value or up to a maximum of $20,000; or
    - in the opinion of the Treasurer, funds are not available for the additional expenditure

6.6 Department Manager Over Budget Approval

Where a Procurement has been authorized under this Policy, the Department Manager in consultation with the CAO may authorize additional expenditures under the Contract, including negotiated changes in scope where permitted, provided that:

- the additional amount does not exceed the lesser of $20,000 (maximum) or 20% of the original Contract value;
- sufficient funds are available within the approved budget; and
- where Reserve and Reserve Fund financing is being used, the Treasurer confirms that sufficient funding is available.

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6.7 Vendors of Record (VOR)

6.7.1 The VOR listing must consist of Vendors who have established an acceptable business relationship with the Township. The intent of a VOR listing is to avoid the Township absorbing the administrative costs of seeking multiple and repetitive quotes.

6.7.2 The Township may select the VOR process of Procurement if the Vendors are included on a Vendor of Record list. The VOR process may be used either directly to Procure Goods and Services (i.e. without further competition) or it may be used as the basis for a Bid Request.

6.7.3 The Treasurer can add Vendors to the list at any time upon recommendation by an Authorized Person and complete any necessary Credit Applications while maintaining purchase thresholds as determined through this Policy. Any Vendor can be removed from the VOR list at any time upon recommendation to the CAO by the Treasurer.

6.7.4 Annually, to encourage Vendors, Vendors will be provided with the opportunity to be included on the Vendor of Record list through an annual Contract work advertisement placed on the Township website and in the local newspaper.

6.7.5 A Vendor who is the successful bidder in a competitive process for the Township and who provides the contracted service consistent with the requirements of the Contract in a manner satisfactory to the Authorized Person will be added to the Vendor of Record list.

6.7.6 Testimonial letters shall not be issued by the Township.

7 Non-Standard Procurement

Suppliers of specialized Goods and Services (non-competitive Procurements).

Non-standard Procurement may be used only where one or more of the following circumstances applies:

- a standard Procurement process did not result in any compliant bids or proposals;
- the required Goods and Services are subject to an exclusive right, such as a patent, copyright or exclusive licence;
- market conditions have created a short supply of the required goods;
- an urgent Procurement is required to comply with a statutory order issued by a Federal or Provincial authority;
- the Procurement involves confidential or privileged matters, and an open competition could reasonably compromise the public interest;
- the Procurement is through a cooperative purchasing group and analysis demonstrates best value;
- interchangeability or interoperability with existing equipment, software, services or installations is required;
- Council has expressly authorized the Non-Standard Procurement; or
- an existing contact must be temporarily extended because unforeseeable circumstances delayed the issuance of a replacement solicitation.

7.1 Purchase of Used Fleet Equipment

When purchasing used fleet equipment, the Department Manager must obtain at least two quotes, and should obtain three quotes where feasible, to demonstrate best value in relation to the required specifications.

If the total expenditure for a single item exceeds $75,000, the Department Manager must submit a report to Council before proceeding to market. The report must describe the intended purchase, the required specifications and the requested approval.

7.2 Cooperative Purchasing

The Township may rely on the results of a recent competitive Procurement conducted by another Municipality or publicly funded agency, provided that:

- the Procurement was completed within the previous 365 days;
- the process was substantially consistent with the principles of this Policy;
- the Goods and Service are materially similar to the Township's requirements;
- the Department Manager determines that using the prior process is in the Township's best interest; and
- the originating agency is able to provide the evaluation results and supporting documentation.

7.3 Specialized Services (Non-Standard Procurement)

7.3.1 Specialized service include: Banking, Audit, Legal, Employee Benefits, Insurance, Engineering and Planning Consulting.

7.3.2 These Services are recognized to require a combination of expertise, experience and knowledge of the Township's operations, policies and practices. Tendering for these Services will be considered on a multi-year (maximum of five-year cycle) basis.

7.3.3 Council may renew an arrangement for the provision of these services by resolution.

7.3.4 Approval authority levels are the same as Schedule A for values and approvals.

Authorized persons, in consultation with the CAO, may Award Contracts on a single source, non-competitive basis to suppliers of specialized Goods and Services who are on the Vendor of Record list for any purchases $75,000 or less. The award of the Contract will be documented by the issuance of a Purchase Order.

7.4 Emergency Procurement

Emergency Procurement may be used where an unforeseen situation creates an immediate need and there is insufficient time to use a standard Procurement process.

Emergency Procurement may be authorized only where necessary to address:

- an imminent or actual danger to the life, health or safety;
- an imminent or actual unexpected interruption of an essential public service;
- an imminent or actual risk to damage to real or personal property;
- a threat to the Township's interests; or
- an emergency within the meaning of the Emergency Management and Civil Protection Act.

7.4.1 Authority for Emergency Purchases

Where an Emergency Purchase is required as described above and cannot be accommodated in the approved budget, on the recommendation of a Department Manager, the authority levels below must be used: CAO has the approval authority to issue a purchase for the requirements. When the Procurement Value of the Emergency acquisition exceeds $75,000, the Department Manager must provide a report to Council as soon as practicable.

- any Department Manager may authorize Emergency Purchases having Total Acquisition Cost (TAC) of $25,000 or less;
- for Emergency Purchases having a TAC of $25,000.01 or greater and not exceeding $75,000, Department Managers who have written approval of the CAO (or designate) to authorize the Emergency Purchase; and
- for Emergency Purchases having a TAC of $75,000.01 or greater, only the Mayor (or designate) and CAO may authorize such a Purchase.

8 Bid Evaluation and Contract Management

8.1 Evaluation of bids

8.1.1 Only One Bid Received

If only one Bid is received, the Township may proceed with the Procurement if the CAO determines that;

- the process was conducted fairly and transparently;
- that the submission offers best value;
- the opportunity was publicly or appropriately posted or issued in accordance with the Policy; and

- all potential suppliers had equal access to the same information at the same time.

If the CAO and Department Manager determine that additional bids could reasonably be obtained through re-issuance, or that the sole bid does not represent fair value, the Township may cancel the solicitation and re-issue it.

8.1.2 Evaluation for Multiple Bids

The evaluation of Bids in any Competitive Process will involve the following sequence of activities:

- A review of the Bid documents to determine whether, on its face, it has met or appears to have met all mandatory requirements set out in the Solicitation Document. This does not preclude Treasurer and/or CAO or evaluators from subsequently determining that those mandatory requirements were not met, after reviewing Bids in details.
- The evaluation of Bids by evaluators according to any sequence of steps set out in the Solicitation Document.
- In the case of an RFP, each evaluator will independently evaluate all written bids against the criteria stated in the Solicitation Document and clearly document their evaluation using forms provided by the Treasurer. Thereafter, the evaluators may meet to review their evaluation and finalize results.
- For RFTs evaluations will be based solely on compliance with mandatory requirements and lowest price. RFTs shall not include qualitative evaluation criteria or scoring. Any technical or mandatory requirements will be assessed on a pass/fail basis as defined in the Tender document.
- Where pricing is evaluated solely by an objective formula, the Treasurer will determine the pricing score for each bid.
- Evaluators are to provide all evaluation records to the Treasurer for retention as part of the Procurement records.
- A minimum of 2 employees to complete the evaluation and the total scoring will be calculated based on the average of all evaluations.

8.2 Submission Irregularities

The process for administering irregularities must be as set out in Schedule "D".

8.3 Bid Deposits and Bonding Requirements

8.3.1 The Township may require bid security where it is determined that such security is necessary to protect the Township's financial, operational or legal interests.

8.3.2 Bid security and contract security requirements must be set out in the Procurement document and resulting Contract, and may include one or more of the following:

- Bid deposit
- Bid Bond
- Performance Bond
- Labour and Material Bond
- Maintenance Bond
- Irrevocable Letter of Credit
- Other security acceptable to the Township

8.3.3 All bonding requirements must be in a form satisfactory to the Township and issued by a surety licensed to operate in Ontario.

8.3.4 Bonding and thresholds are subject to the requirements under the Construction Act or any applicable legislation.

8.3.5 After the successful Bidder is determined, as well as any other bids to be retained, the Township will return the other bid deposits. Once a Contract is executed and signed by all parties, the Township will return the successful Bidder's deposit as well as any other bids held.

8.3.6 For those projects using the Ontario Provincial Standard Specifications (OPSS) based tender documents the value of the Bid Bond required will be consistent with the OPSS requirements or those under other Legislations (e.g. Construction Act).

8.4 Insurance and Workers' Compensation Requirements

Before work begins, the successful Bidder must provide evidence of insurance coverage satisfactory to the Treasurer. The coverage must indemnify the Township of North Frontenac against claims, demands, losses, costs or damages arising from the Contractor's performance of the Contract or any other risk identified by the Department Manager. The Township of North Frontenac must be named as an "additional insured". The Contractor must maintain the required insurance for the full Contract term and any applicable warranty period.

Before work begins, the Contractor must provide a valid Workplace Safety and Insurance Board clearance certificate confirming that all required premiums and

levies have been paid or confirmation from WSIB on letterhead that they have Independent Operator status.

8.5 Blanket Purchase Orders

A Department Manager may establish Blanket Orders using the applicable bid mechanism (RFT or RFP) based upon the estimated annual expenditure. Blanket Orders may also be coordinated with other Municipal departments as applicable.

Blanket Orders must be issued for a specific period with all ordering departments responsible for maintaining purchases within Budget allocations.

8.6 Contractual Agreement

8.6.1 Informal written Agreements/Purchase Orders will be issued for every Service Contract detailing pertinent contact information, details of the agreement and penalties if services are not performed accordingly.

8.6.2 Formal agreements must be entered into when the resulting Contract is complex and will contain terms and conditions other than standard contractual terms and conditions. The Agreement will be drawn up by the Township.

8.6.3 It must be the responsibility of the Department Manager, in consultation with the CAO and/or Treasurer, to determine if it is in the best interest of the Township to establish a formal agreement with the Supplier.

8.6.4 Where a formal agreement is required, the Agreement will be executed based on the approval thresholds established within this Policy.

9 Green Procurement

The Township is committed to the purchase of Goods and Services with due regard to the preservation of the natural environment and to encourage the use of environmentally friendly products and Services, except where it is not practicable to do so.

All Department Managers, in conjunction with the CAO, are encouraged to seek additional ways of achieving the goal of being environmentally safe and responsible by thorough review of each Procurement process to ensure that, wherever possible and economically feasible, the Township's Solicitation Document includes specifications that reflect environmentally friendly attributes of the Goods and Services, except where it is not practicable to do so.

10 Protection of Confidential/Personal Information

In situations where a Supplier may receive the Township's Confidential Information or any Personal Information as part of the provision of the Goods and Services the Township will ensure that the Solicitation Document and/or terms and conditions include requirements that the Supplier safeguards the Confidential Information and Personal Information.

11 Disposal of Surplus Assets

The CAO and Treasurer, have the approval authority to sell, exchange, or otherwise dispose of Township assets declared as surplus or obsolete to the needs of the Township. The Treasurer may first offer the surplus assets to other Departments. Any surplus assets not required by other Departments and that are deemed by the Treasurer as having a residual value may be disposed of by any of the following Disposal methods:

- auction or solicitation;
- recycling;
- donation to a charity or non-profit organization, if authorized by Council resolution; or
- scrapping or destruction, if sale efforts are unsuccessful and recycling is unavailable or not feasible.

12 Incorporation of Accessibility Design, Criteria and Features

Where required by Law, Suppliers must ensure that Persons who interact with the public on the Supplier’s behalf, or who develop the Supplier’s customer service policies, practices or procedures, receive appropriate accessibility training.

In accordance with the Integrated Accessibility Standards Regulation, the Township must consider accessibility criteria and features when procuring Goods and Services, except where it is not practicable to do so. If requested, the Township will provide an explanation where accessibility criteria or features were not incorporated.

13 By-law Administration

In the event the provisions of this By-law are inconsistent with the provisions of the Municipal Act, its Regulations or any other Act, the provisions of the Act or Regulation must prevail.

Under this By-law and associated procedures, the CAO is authorized to make all decisions, save and except where Council is specifically identified in this By-law as the Approval Authority.

Council approval contemplated herein or any waiver of the requirements of this By-law must be approved by Council Resolution.

This By-law will be reviewed every five (5) years, or such earlier date as the CAO, Treasurer or Council may deem it appropriate to evaluate its effectiveness.

It is hereby declared that each and every one of the foregoing sections, subsections and appendices of this By-law is severable and that, if any provisions of this By-law should for any reason be declared invalid by any court, it is the intention and desire of Council that each and every one of the remaining provisions hereof must remain in full force and effect.

Notwithstanding its repeal, any purchases begun but not yet completed by the effective date of this By-law must be completed under the terms of the previous Purchasing By-law as if it were still in effect.

14 Corporate Credit Card and Purchasing Cards

Corporate credit cards have been issued to the CAO and the CAO Back-up as the authorized cardholders for the Township with each maximum credit/purchase limits of $50,000 each.

Purchasing Cards will be virtual only. The CAO and/or Treasurer will oversee the Townships Purchasing Card Program. The Treasurer may delegate staff within the Township to perform necessary functions, including guidance to Purchasing Cardholders.

No Township employee must use a Purchasing Card to purchase deliverables unless appointed and authorized by the Treasurer. The Treasurer is ultimately responsible for ensuring that purchases with their service area comply with the applicable By-laws and policies.

Purchasing Cards will be issued for the following:

- re-occurring monthly charges on the Credit Card;
- $5,000 to each Department Manager; or
- to employees for training/conferences for a set amount determined by the CAO or Treasurer and for a set period of time.

Schedule A – Process & Approval by Dollar Threshold

Table of Standard Procurement Process and Approval Authority by Dollar Threshold

Standard Procurement Process and Approval Authority

Procurement Value	Direct Procurement	Procedure	Purchase Order or Agreement	Approval Authority
$1 to $25,000	Direct Purchase	Comparison pricing must be obtained where possible	Purchase Order over $5,000	Approved by Department Manager
$25,000.01 to $75,000	Written quotations	3 written quotes must be obtained (when possible)	Purchase order or Agreement	Approved by Department Manager
$75,000.01 or greater	Request for Tender or Request for Proposal	Following Notification of Procurement Opportunities (Part 4 of Policy)	Purchase Order or Agreement	Approved by CAO

The dollar figures set out in the above thresholds include the non-refundable portion of HST and any other applicable costs (e.g. freight, installation, licencing fees, etc.). For multi-year Contract awards, the thresholds are determined based on the total value of the Contract and not the annual cost.

Schedule B - Exceptions

Goods and Services "Exempt" from Provisions of the Procurement Policy

Note: All purchases must be approved as part of the Annual Budget process and/or with the provisions of this Policy before purchasing.

1. Petty cash items
2. Training and education
    a. Conferences
    b. Courses
    c. Conventions
    d. Memberships
    e. Seminars
    f. Periodicals
    g. Magazines
    h. Staff training, development and workshops
    i. Subscriptions
3. Employee expenses
    a. Advances
    b. Meal allowances
    c. Travel and hotel accommodation
    d. Entertainment
    e. Miscellaneous – non-travel
4. Employer's general expenses
    a. Payroll deduction remittances
    b. Licenses (vehicles, elevators, radios, etc.)
    c. Debenture payments
    d. Grants to agencies
    e. Payments of Damages
    f. Tax remittances
    g. Insurance premiums
    h. Postage
    i. Charges to/from other Government or Crown Corporations
    j. Employee income
    k. Petty cash replenishment
5. Professional and Special Services
    a. Committee fees
    b. Witness fees
    c. Honoraria
    d. Arbitrators

    e. Mediators
    f. Legal settlements
    g. Contracts related to the provision of “controlled acts” by persons “governed by a health profession Act” as those expressions are used in the Regulated Health Professions Act, S.S. 1991, c18 as amended
    h. Freight charges
6. Utilities
    a. Postage
    b. Hydro
    c. Telephone/cellular phones
    d. Heating fuel
    e. Emergency radio repairs
7. Advertising services required by the Township, on or in, but not limited to radio, television, newspaper and magazines
8. Bailiff or collection agencies

Schedule C – Authorizations

Procurement Authorizations

The following table must determine the identity of the Authorized Person in respect of a proposed Bid Request/ Agreements or Contracts

Total Acquisition Cost	**Authorized Person**
$75,000 or less and included in the approved budget	Managers
$75,000.01 or greater and included in the approved budget	Township CAO
$75,000 or less and not included in the approved budget	Township CAO (Managers are to provide details to CAO before acquiring the expense for the CAO's consideration)
$75,000.01 or greater and not included in the approved budget	Requires Council approval in advance to provide authorization to the CAO to proceed

Schedule D – Bid Irregularities

Administering Irregularities in Bid Opening

Irregularity	**Response**
Late Bids	Automatic rejection and not opened or read publicly
Unsealed Bid Envelope (where a sealed bid is required in the bid documents)	Automatic rejection
Bids written in pencil rather than typewriter or completed legibly in ink	Automatic rejection
Bids received on Tender Documents other than those provided by the Township	Automatic rejection
Corporate Seal or Authorized Signatory signature missing	Automatic rejection
Failure to provide bid securities as required by Tender Document	Automatic rejection
Documents in which addenda with financial implications have not been acknowledged	Automatic rejection
Bid requirements not completely met	Rejection depends on significance of bid requirements oversight.
Restricted or qualified bids	Rejection depends on significance of bid restrictions or qualification.
Bids containing clerical and/or arithmetical errors	An acknowledgement and correction by fax/email within 48 hours of notification, to be followed in letter form within 48 hours (2 business days) to correct and initial errors
Overwrites, strikethroughs or erasures of bidder's entries are not initialed	48 hours (2 business days) to initial from time of notification
All other irregularities	Depending on the significance of the irregularity, at the discretion of the Manager, in consultation with the CAO, the bid envelope will either be automatically rejected, 48 hours (2 business days) will be given to correct and initial, or the bid may be accepted with the irregularities