



**MUNICIPALITY OF LAMBTON SHORES**  
**CORPORATE POLICY**  
**PROCUREMENT AND ASSET DISPOSAL POLICY**

**POLICY NO.:**  
**CP-FS-POL-004**

<b>Responsible Dept.:</b> Finance Services	<b>Effective Date:</b> July 15, 2025
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## **1 PURPOSE**

- 1.1 The purpose of this Policy is:
  - 1.1.1 to encourage competitive bidding; to ensure fairness between bidders
  - 1.1.2 to ensure openness, objectivity, integrity, accountability and transparency while protecting the best interests of the Municipality and the taxpayers therein
  - 1.1.3 To obtain the highest quality goods and/or services for the Municipality taking into consideration the life cycle costs and environmental impacts of the products and services being purchased
  - 1.1.4 to authorize a variety of Purchasing methods, for use depending on the circumstances of the acquisition
  - 1.1.5 to obtain the best value for the Municipality when procuring Goods and/or Services taking into consideration the needs of the municipality
  - 1.1.6 to avoid real and perceived conflicts between the interests of the Municipality and those of the Municipal employees and elected officials and to ensure compliance with the Municipal Conflict of Interest Act, R.S.O. 1990, c.M.50, as amended
  - 1.1.7 to ensure legislative compliance; and
  - 1.1.8 to achieve responsible and transparent management of the public funds, municipal finances and assets.

## **2 SCOPE**

- 2.1 All persons who act on behalf of the Municipality in: (i) the issuance of a bid request; (ii) the conduct of a bid request; and (iii) the making of an award, are responsible for complying with this policy.
- 2.2 All acquisitions of goods and services by the municipality and any local boards and corporations, and all purchasing inquiries of the Municipality regarding materials, prices, services, delivery, terms, conditions and adjustments shall be conducted in accordance with the provisions of this policy, unless otherwise permitted herein.

### 3 INTERPRETATION

- 3.1 The word “can” and “may” are permissive.
- 3.2 The word “must” and “shall” are imperative.
- 3.3 Words used in the present terms include the future.
- 3.4 Words in the singular form include the plural form, and vice versa.
- 3.5 Where an official of the Municipality is authorized to do any act pursuant to this policy, this also includes the official’s authorized delegate.
- 3.6 The masculine gender shall include the feminine gender, and vice versa.
- 3.7 All dollar amounts are expressed in this policy are in Canadian dollars.
- 3.8 All solicitations and processes under this policy shall be conducted in English.
- 3.9 The headings in this policy are for reference only.

### 4 DEFINITIONS

Schedules ‘A’, ‘B’, ‘C’, and ‘D’ attached hereto form part of this Policy:

‘A’ – Goods and Services Exempt from the Policy

‘B’ – Bid Irregularity Actions

‘C’ – Purchase Methods, Authorities and Execution Chart

‘D’ – Vendor Performance Report

- 4.1 **Agreement** means a formal written document entered at the end of the procurement process that binds the Municipality.
- 4.2 **Authority** means authorization to proceed with the purchase, sale, or disposal of goods and/or services from or to a chosen supplier.
- 4.3 **Bid** means an offer or submission received in response to a bid solicitation which is subject to acceptance or rejection by the Municipality.
- 4.4 **Bid Approval Documentation** means a completed Purchase Authorization Form or Council Report with evidence of motion being carried, which authorizes the purchase of goods and/or services.
- 4.5 **Bid Deposit** means the form of security required by the terms and conditions of bid solicitations to guarantee that the successful supplier signs a contract with the Municipality, as per Section 30 – Financial Securities and Insurance.

- 4.6 **Bid Solicitation** means a formal request for bids including an Informal Quotation, Request for Quotation, Request for Pre-Qualification, Request for Tender, and Request for Proposal or Request for Expression of Interest.
- 4.7 **Bidder** means a person, supplier, vendor, contractor, developer or professional, who submits a bid to the Municipality.
- 4.8 **Budget** means the budget or portion of the budget approved by Council.
- 4.9 **Chief Administrative Officer (CAO)** means the Chief Administrative Officer of the Municipality of Lambton Shores or their designate.
- 4.10 **Clerk** means the Clerk of the Municipality of Lambton Shores or their designate.
- 4.11 **Competitive** means multiple vendors who are given an opportunity to compete for municipal business.
- 4.12 **Compliant Bid** means a bid that meets the terms and conditions of the bid solicitation and this policy.
- 4.13 **Conflict of Interest** means a situation, real or perceived, where a personal, business or other interest of an elected official, an employee or contract employee of the Municipality conflicts with the interests of the Municipality, and includes, but not limited to:
- 4.13.1 the giving or receiving of a direct personal gain or benefit, or a direct advantage or privilege, by any person or business that offers goods and/or services to the Municipality
  - 4.13.2 a direct or indirect interest in any business that provides goods and/or services to the Municipality; or
  - 4.13.3 a conflict of interest as defined in the Municipal Conflict of Interest Act.
- 4.14 **Contract** means a binding agreement between two (2) or more parties that creates an obligation to provide or sell goods or perform services.
- 4.15 **Corporation** means the Corporation of the Municipality of Lambton Shores.

- 4.16 **Council** means the Council of the Corporation of the Municipality of Lambton Shores and any Council Committee delegated to perform a function related to this policy.
- 4.17 **Department** means any department of the Corporation including any division within a department.
- 4.18 **Department Head** means the individual accountable for the department and services assigned to each division thereof.
- 4.19 **Department Representative** means a position authorized in writing by the CAO or Department Head for the purchase and disposal of goods and/or services up to the value of their prescribed authority and which written authorization must be filed with the Treasurer.
- 4.20 **Designate** means a person authorized in writing to act on behalf of another during his or her absence, which written authorization has been filed with the Treasurer; only a person holding a position no lower than one level below in the Corporation's reporting structure may be authorized to act as a designate, for purpose of this policy.
- 4.21 **Disposal** means the permanent removal of surplus assets through sale, trade, reassignment, or scrapping.
- 4.22 **Electronic Bidding** means a computer-based system that provides suppliers with access to information related to open competitive procurements.
- 4.23 **Formal Bid Process** means the process for receipt of bids, as outlined in Section 24 – Formal Bid Process.
- 4.24 **Goods** means in relation to procurement, moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property), including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract.
- 4.25 **Informal Quotation** means the request for bids for goods and/or services that may or may not be published and received on prescribed forms, by a predetermined time.
- 4.26 **Lobbying** means the advocacy of an interest that is affected; actually, or potentially, by the bid solicitation process or individuals involved in the bid solicitation process including seeking to influence the outcome of the bid solicitation process or subsequent award.

- 4.27 **Lowest Compliant Bid** means the compliant bid that would provide the Municipality with the desired goods and/or services at the lowest cost.
- 4.28 **Management Supervisor** means the non-union staff that supervises designated staff.
- 4.29 **Municipality** means the Corporation of the Municipality of Lambton Shores.
- 4.30 **Negotiation** means a purchasing method whereby the Municipality may negotiate directly with one or more suppliers with the intent to award a contract or extend an existing contract.
- 4.31 **Policy** means a governing principle or plan as set by Council which establishes the general parameters for the Municipality to follow in carrying out its responsibilities.
- 4.32 **Professional Services** means those services requiring the skills of professionals for defined service requirement including but not limited to:
- 4.32.1 architects, engineers, designers, surveyors, geoscientists, project managers, financial consultants, auditors, accountants, and medical professionals, insurance and legal counsel/advisors
  - 4.32.2 firms or individuals having specialized competence in environmental, planning or similar disciplines, and
  - 4.32.3 software consultants and any other persons providing similar services.
- 4.33 **Purchase** means to acquire goods and services by purchase, rental, lease or trade, including construction.
- 4.34 **Purchase Authorization** means a request for goods and/or services, for which the budget has been approved, prepared by a Department Representative and approved as per Schedule "C"- Purchase Methods, Authorities and Execution Chart.
- 4.35 **Purchase Card** means corporate credit or purchase card to be used for acquiring corporately needed goods and services within established guidelines.
- 4.36 **Purchasing** means the process of obtaining goods and/or services.

- 4.37 **Quotation** means a binding statement of price, terms of sale and description of goods and/or services offered by a supplier.
- 4.38 **Request for Pre-Qualification (RFPQ) or Expression of Interest (RFEOI)** means a public request by the Municipality seeking submissions outlining the experience, financial strength, education, background and significant personnel of potential suppliers who may, from time to time, qualify to supply goods and/or services to the Municipality. Receipt of an expression of interest by the Municipality does not create any obligation between the potential supplier and the Corporation but may be a precondition to qualify for subsequent bid solicitations issued by the Municipality.
- 4.39 **Request for Proposal (RFP)** means a public request for proposals by the Municipality made in accordance with Section 19 – Request for Proposal, seeking proposals to supply goods and/or services to the Municipality, which may or may not result in an award by the Municipality.
- 4.40 **Request for Quotation (RFQ)** means a request for quotations by the Municipality for the provision of goods and/or services made in accordance with Section 17 of this policy.
- 4.41 **Request for Tender (RFT)** means a public request for tenders by the Municipality for the provision of goods and/or services made in accordance with Section 18 of this policy.
- 4.42 **Services** means intangible products that do not have a physical presence and include professional services. No transfer of possession or ownership takes place when services are sold, and they: (1) cannot be stored or transported; (2) are instantly perishable; and (3) come into existence at the time they are bought and consumed.
- 4.43 **Single Source** means the non-competitive procurement process to acquire goods and/or services from a specific supplier even though there may be more than one supplier capable of delivery of the same goods and/or services.
- 4.44 **Sole Source** means there is only one source of goods and/or services that meets the requirements of the Municipality.
- 4.45 **Special Circumstance** means the following:
- 4.45.1 an event that is exceptional or could not be foreseen and is likely to pose a threat to health, safety or the welfare of the public.



- 4.45.2 an event that, unless immediately addressed, is likely to cause significant loss or damage to property.
- 4.45.3 an event that has disrupted any essential service that needs to be re-established without delay, or
- 4.45.4 an emergency as defined in the Emergency Management and Civil Protection Act, R.S.O. 1990, c.E.8, as amended, or any successor legislation thereto.
- 4.46 **Specialized Services** means those services requiring the skills of trades including, but not limited to electrical, mechanical, drywall, painting, HVAC, roofing, plumbing, electronics, and insulation.
- 4.47 **Substantive Objection** means a written objection provided to the Corporation from a supplier with respect to a bid solicitation giving specific reasons for the objection.
- 4.48 **Supplier** means any individual or organization offering goods and/or services including but not limited to contractors, consultants, vendors and service organizations.
- 4.49 **Surplus assets** mean goods, vehicles, equipment and other assets, which are obsolete, damaged or surplus to that department's needs.
- 4.50 **Tender** means a detailed written offer from a supplier to supply goods and/or services to the Municipality.
- 4.51 **Treasurer** means the Treasurer/Director of Finance Services for the Municipality of Lambton Shores or their designate.
- 4.52 **WSIB** means Workplace Safety and Insurance Board

## 5 APPLICATION

- 5.1 The policies and procedures outlined in this policy shall be followed for the purchase of all goods and/or services by the Corporation or any of its officers, agents, employees, Boards and committees.
- 5.2 The Methods of Purchasing set out in Sections 12 to 24, and the Reporting Procedures set out in Section 28, shall not apply to the Purchase and Disposal of those Goods and Services outlined in Schedule "A – Goods and Services Exempt from Provisions of the Procurement Policy if the funding is available in the Budget.
- 5.3 Any Contract necessary to complete the Purchase of Goods and/or Services outlined in Schedule "A" shall be signed by the CAO provided that:

- 5.3.1 the Contract has been prepared in a form satisfactory to the CAO
- 5.3.2 any financial securities and insurance required under the Contract are satisfactory to the CAO & Treasurer, and
- 5.3.3 funding is available in the Budget.

## **6 ACCESSIBILITY REQUIREMENTS**

- 6.1 When procuring goods, services, self-service kiosks or facilities, the Municipality shall incorporate accessibility criteria and features, unless it is not feasible (practicable) to do so. If not practicable, the Municipality shall provide an explanation, upon request. Furthermore, it is the expectation of the Municipality that as required by law, any selected vendor shall comply with the accessibility standards under the Accessibility for Ontarians With Disabilities Act, 2005 (AODA).

## **7 RESPONSIBILITIES AND AUTHORITIES**

- 7.1 Lambton Shores Council has the ultimate authority for all expenditures. Lambton Shores Council delegates this authority through the authorization of budgets or by specific resolution. Budget approvals by Lambton Shores Council for capital works and operating expenditures should constitute authorization for any purchases of goods and services necessary to carry out work within the approved costs of an approved project, provided such purchases are made in accordance with this policy. No purchase of Goods and Services shall be made unless it is approved by Lambton Shores Council the annual Municipal Budget or by specific resolution.
- 7.2 The CAO shall have all the necessary authority to administer this policy and to carry out his or her related duties on behalf of the Corporation.
- 7.3 Department Heads are responsible for and shall have the authority to:
  - 7.3.1 acquire or dispose of goods and/or services
  - 7.3.2 call, receive, open and review bids
  - 7.3.3 establish administrative procedures and policies for the implementation of this policy
  - 7.3.4 establish, through consultation with the CAO, standards for bid solicitations, contracts and other documents
  - 7.3.5 establish, through consultation with the user department and CAO, the terms and conditions of the bid solicitations

- 7.3.6 provide guidelines on procurement policies and procedures and the structure, format and general content of bid solicitations
- 7.3.7 identify accessibility requirements which should be part of the procurement process, if applicable
- 7.3.8 review proposed bid solicitations to ensure clarity, reasonableness and quality and advise staff of suggested improvements
- 7.3.9 establish, through consultation with the CAO and Treasurer, policies and procedures to support the Corporation's Purchase Card Usage Guidelines
- 7.3.10 act on behalf of the Corporation, and from time to time, other boards, committees, agencies and municipalities, for the purposes of the joint Purchase or Disposal of Goods and/or Services
- 7.3.11 ensure open, fair and impartial purchasing processes for goods and/or services
- 7.3.12 ensure compliance with this policy and advise the CAO when there has been non-compliance. The CAO shall consult with the Department Head and take appropriate action to address and correct any non-compliance
- 7.3.13 develop co-operative purchasing plans with other units of government of their agencies or public authorities, where deemed beneficial to the Corporation; and
- 7.3.14 promote the standardization of goods and/or services, where such standardization demonstrates and supports the purposes, goals, and objectives of this policy.
- 7.4 The Department Head, with the written approval of the CAO, may delegate to an employee or employees, all or part of the authority in Subsection 7.3 above, which authority may be limited to a particular type of goods and/or services.
- 7.5 The CAO or Department Head shall appoint in writing and file with the Treasurer, Department Representatives and Management Supervisors who shall be responsible for the purchasing of goods and/or services and

oversight up to the value of their prescribed authority in accordance with Section 7.6;

7.6 Management Supervisors will also have the following specific responsibilities for implementation of bids:

- 7.6.1 ensure that all contract terms and conditions comply with the bid solicitation
- 7.6.2 preparing and approving all specifications and terms of reference
- 7.6.3 managing contracts to ensure goods and/or services are received by the Corporation and comply with contract terms and conditions
- 7.6.4 monitoring all contract expenditures and ensuring that all financial limitations have been complied with and that all accounts are paid within the times set out in the contract
- 7.6.5 monitoring the performance of suppliers (see Schedule “D”)
- 7.6.6 standardizing the use of goods and/or services, where such standardization demonstrated and supports the purposes, goals and objectives of this policy, and
- 7.6.7 ensure that all goods and/or services purchased or disposed of have been received and invoices coded in a timely fashion.

7.7 During an election recess under Section 275 of the Municipal Act, S.O. 2001, c.25, where a matter, which would otherwise require submission to Council pursuant to this policy, requires approval prior to the next regular scheduled meeting:

- a. During the recess required to conduct municipal elections; or
- b. There is a failure to obtain quorum at a Council meeting where a contract approval was on the agenda for such meeting.

The CAO and the Department Head may award contracts which are the result of a Request for Tender, where the recommended Bid is that of the lowest bidder (all costs considered), or a Request for Proposals, where the recommended proposal is that of the highest ranked scoring bidder,

providing in each case that the price does not exceed the approved budget. The CAO and Department Head will report all such awards following the specific recess period to the first possible Council meeting on the contracts awarded during the specific recess period. Lambton Shores Council will not vary any action of the contract awards made in such cases.

- 7.8 The Municipality shall segregate at least three of the six functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles shall be with different departments wherever possible, or, at a minimum, with different individuals. Segregation of duties prevents any one person from controlling the entire procurement process.

<b>Function Role</b>	<b>Responsibility</b>	<b>Accountable Party</b>
<b>Requisition</b>	Authorize the related department to place an order.	Employee requesting the product of service
<b>Budgeting</b>	Authorize that funding is available to cover the cost.	Council
<b>Commitment</b>	Authorize release of the order to the supplier under agreed contract terms.	Purchasing Designate or Department Head
<b>Receipt</b>	Authorize that the order was physically received.	Individuals who are receiving the goods and services.
<b>Approval</b>	Authorize release of payment to the supplier.	Individual authorized to approve invoice as summarized in Appendix A.
<b>Payment</b>	Release of payment to the supplier	Accounts Payable staff.

- 7.9 Where a purchase exceeds an approved budget cost by no more than the lesser of \$12,500 or 5%, the CAO and/or Treasurer are authorized to approve the expenditure without further Council approval, provided that sufficient overall departmental funds are available.

## **8 REQUIREMENT FOR APPROVED FUNDS**

- 8.1 The exercise of authority to award a contract is subject to the identification and availability of sufficient funds in appropriate accounts within the Budget.
- 8.2 Where goods and/or services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to the following:
  - 8.2.1 the identification and availability of sufficient funds in appropriate accounts for the current year within the budget,
  - 8.2.2 the goods and/or services will continue to be required in subsequent years and, in the opinion of the Department Head, or delegate, the required funding can reasonably be expected to be made available, and
  - 8.2.3 the contract includes a provision that the supply of goods and/or services in subsequent years is subject to the approval by Lambton Shores Council of the budget estimates to meet the proposed expenditures.

## **9 TRADE AGREEMENTS**

- 9.1 Purchasing by the Municipality may be subject to the provisions of trade agreements.
- 9.2 In the event of a conflict between this policy and an applicable trade agreement, the provisions of the trade agreement shall take precedence.
- 9.3 The CAO and/or Treasurer shall advise the appropriate Department Head when a purchase may not conform to an applicable trade agreement as early as possible in the bid solicitation process.

## **10 ADVERTISING OF BID SOLICITATIONS**

- 10.1 The Municipality is committed to ensuring open, fair and transparent procurement processes. Advertising and solicitation methods shall be appropriate to the nature, value, and complexity of the procurement to encourage competition and support accountability.
- 10.2 The municipality has adopted an electronic bidding system as the official platform for issuing formal bid opportunities. Except as otherwise stated in this policy, all procurement meeting the threshold for formal competitive process shall be issued and awarded and administered through this system.

10.3 Purchases exceeding \$25,000 for goods and/or services, as a minimum, shall be advertised:

10.3.1 on the electronic bidding system from the date that the bid solicitation is issued up to and including the date on which the bid solicitation closes

10.3.2 The duration for which procurement opportunities must remain posted shall be consistent with the minimum timeframes set out in Schedule “A” of this policy and shall meet or exceed applicable trade and procurement regulations. These time frames vary depending on the procurement method, estimated value, and the complexity of the goods and services being acquired.

10.3.3 No additional advertising is required for purchases where bidders have been previously pre-qualified in accordance with this policy.

## **11 PURCHASING DOCUMENTATION**

11.1 The use of Standard Bid documents shall be approved by the CAO and Treasurer.

11.2 A Bid Solicitation may specify a specific product or brand name to ensure consistency, to minimize risk to the Municipality, or for other valid purposes.

11.3 All changes to standard Bid Solicitations and Contracts may be reviewed by legal counsel as determined by the CAO.

## **12 METHODS OF PURCHASING**

12.1 Any person Purchasing or Disposing Goods and/or Services on behalf of the Municipality shall do so using one of the following methods of Purchasing set out in Sections 12 to 24 (“Methods of Purchasing”). The methods may be utilized individually or in combination with one another, as may be appropriate in the circumstances.

12.2 Any person Purchasing or Disposing Goods and/or Services on behalf of the Municipality is exempt from using one of the following methods of Purchasing set out in Sections 12 to 24 (“Methods of Purchasing”) if the purchase is for items identified in Schedule “A” or with a Vendor of Record (“VOR”). The Ontario Government, through the Ministry of Government and Consumer Services, has contracted with vendors to supply a variety of Goods and Services which are accessible to public sector entities in Ontario. Through the VOR program, the Ontario Government has

undertaken the competitive process on behalf of public sector entities. VOR purchases shall still be subject to the responsibilities for the Purchasing of Goods and/or Services and oversight up to the value of their prescribed authority.

- 12.3 Co-operative Purchasing with other organizations may be utilized as outlined in Section 26 – Co-operative Purchasing.

### **13 REQUEST FOR PRE-QUALIFICATION**

- 13.1 Department Heads may conduct a Request for Pre-Qualification (RFPQ) to develop a list of Suppliers that may be eligible to submit a Bid on subsequent Bid Solicitations or to develop a roster in accordance with Section 23 – Roster for Professional or Specialized Services.

- 13.2 Pre-qualification may be considered in the following circumstances:

13.2.1 the work will require substantial project management by the Corporation and could result in substantial cost to the Corporation if the Supplier is not appropriately experienced

13.2.2 the Goods and/or Services to be purchased must meet applicable safety standards

13.2.3 the work involves complex, multi-disciplinary activities, specialized expertise, equipment, materials or financial requirements

13.2.4 miscellaneous repairs and services as required by the Corporation such as plumbers, electricians, and drywall contractors

13.2.5 there could be substantial impact on the Corporation's operations if the work is not satisfactorily performed the first time; or

13.2.6 any other circumstances deemed appropriate by the CAO or respective Department Head.

- 13.3 An RFPQ shall be provided to the potential Suppliers setting out the criteria for pre-qualification which may include, but are not limited to:

13.3.1 relevant experience of the firm and designated staff in completing comparable work.

13.3.2 references provided from other customers for similar work

13.3.3 verification of applicable licenses and certificates

13.3.4 health and safety policies and staff training; and



#### 13.3.5 financial capability

- 13.4 Supplier submissions will be evaluated and ranked, and a short list of pre-qualified Suppliers will be invited to participate in the second step of the two-step Purchasing process, being a Request for Proposal or a Request for Tender.
- 13.5 An RFPQ is not a legal offer but only an invitation for Suppliers to make offers to the Corporation.
- 13.6 All RFPQ's shall be conducted in accordance with submission instructions in the Bid Solicitation and Section 10 – Advertising of Bid Solicitations

### **14 REQUEST FOR EXPRESSION OF INTEREST**

- 14.1 Department Heads may conduct a Request for Expression of Interest (RFEOI) for the purpose of determining the availability of Suppliers and for the purpose of compiling a list of Suppliers and may be used as a specific pre-condition of any method of Purchasing utilized by the Municipality. The receipt of an expression of interest by the Municipality does not create any obligation between the potential Supplier and the Municipality.
- 14.2 All RFEOI's shall be conducted in accordance with submission instructions in the Bid Solicitation and Section 10 – Advertising of Bid Solicitations.

### **15 DIRECT PURCHASE (up to \$10,000 excluding taxes)**

- 15.1 Department Representatives are authorized to procure Goods and/or Services up to a total value of \$10,000, excluding taxes. Only purchases that can be demonstrated to have been made at Fair Market Value shall be made.
  - 15.1.1 Purchases between \$0 and \$5,000 by a Department Representative shall be approved by a Management Supervisor.
  - 15.1.2 Purchases between \$5,001 and \$10,000 by a Department Representative shall be approved by a Department Head.
  - 15.1.3 Department Representatives may procure Goods and/or Services through the following means:
    - 15.1.3.1 Purchasing Card is used in strict accordance with the Municipal Corporation's Purchase Card Usage Guidelines.
    - 15.1.3.2 direct invoice from the Supplier approved and signed by the Management Supervisor authorized to approve the purchase or the Department Head.

- 15.2 Where the purchase is related to providing services, WSIB coverage and/or clearance and appropriate insurance must be verified prior to the commencement of the work.

**16 INFORMAL QUOTATIONS (purchases between \$10,001 and \$25,000 excluding taxes)**

- 16.1 For purchases with a total value greater than \$10,000 and not exceeding \$25,000, excluding taxes, an Informal Quotation method shall be utilized. At least three (3) written Quotations shall be solicited, analyzed and the results tabulated by either the Management Supervisor or Department Head. Quotations received shall be evaluated on price and the criteria outlined in the quotation request to determine the preferred Supplier.
- 16.2 The purchase authorization form shall be prepared for signature and approval.
- 16.3 Where the purchase is related to providing services, WSIB coverage and/or clearance and appropriate insurance must be verified prior to the commencement of the work.

**17 REQUEST FOR QUOTATIONS (purchases between \$25,001 and \$50,000 excluding taxes)**

- 17.1 For purchases with a total value greater than \$25,000 and not exceeding \$50,000, excluding taxes, a Request for Quotation (RFQ) may be used to Purchase and shall be issued by the Department Head.
- 17.2 If possible, at least three (3) Quotations shall be solicited, analyzed and the results tabulated.
- 17.3 All RFQ's shall be conducted by a Department Representative and Department Head in accordance with Section 24 – Formal Bid Process.
- 17.4 Any Bid irregularities shall be dealt with in accordance with Schedule “B”.
- 17.5 Bids received shall be analyzed and evaluated by Department Representative and Department Head using the criteria outlined in the Bid Solicitation.
- 17.6 Where an award is recommended, the purchase authorization form shall be prepared for signature and approval as per Schedule “C”.
- 17.7 Where the purchase is related to providing services, WSIB coverage must be verified prior to the commencement of the work.

## **18 REQUEST FOR TENDER (purchases greater than \$50,001 excluding taxes)**

18.1 For purchases with a total value greater than \$50,000, excluding taxes, a Request for Tender (RFT) shall be issued, if all of the following conditions apply:

18.1.1 two (2) or more sources are considered capable of supplying the Goods and/or Services,

18.1.2 the Goods and/or Services are adequately defined to permit the evaluation of Tenders against clearly defined criteria, and

18.1.3 It is intended that the Lowest Compliant Bid will be accepted.

18.2 All RFT's shall be conducted in accordance with Section 24 – Formal Bid Process.

18.3 All RFT's shall be advertised in accordance with Section 10 – Advertising of Bid Solicitations except where a list of pre-qualified Suppliers has been compiled in accordance with Section 15 – Direct Purchase.

18.4 Where an RFPQ has previously been conducted, only pre-qualified Suppliers shall be notified, and Bids shall only be accepted from pre-qualified Suppliers.

18.5 Any Bid irregularities shall be dealt with in accordance with Schedule B.

18.6 The Bid Approval Documentation shall be prepared in accordance with Section 28 – Reporting

18.7 All Purchases shall be authorized in accordance with the Purchasing Approval Authorities set out in Schedule “C”.

## **19 REQUEST FOR PROPOSAL (purchases greater than \$10,000 excluding taxes)**

19.1 A Request for Proposal (RFP) shall be issued where the Method of Purchasing meets one or more of the following criteria:

19.1.1 the Purchase is required because of a particular problem, requirement or objective

19.1.2 the selection of the Supplier depends more upon the effectiveness of the proposed solution, rather than the price alone

19.1.3 the precise Goods and/or Services, or the specifications, therefore, are not known or are not definable and it is expected that Suppliers will further define them.

- 19.2 RFP's may require Suppliers to submit a Bid in sealed separate envelopes which may contain technical, financial, proprietary, confidential and other information as prescribed in the Bid Solicitation.
- 19.3 All RFP's will be evaluated based on the evaluation criteria outlined in the Bid Solicitation by Management Supervisor.
- 19.4 All RFP's shall be advertised in accordance with Section 10, except where a list of pre-qualified Suppliers has been compiled in accordance with Section 15 – Direct Purchase.
- 19.5 Any Bid irregularities shall be dealt with in accordance with Schedule “B”
- 19.6 The Bid Approval Documentation shall be prepared in accordance with Section 28 - Reporting.
- 19.7 All Purchases shall be authorized in accordance with the Purchasing Approval Authorities set out in Schedule “C”.

## **20 SINGLE SOURCE PURCHASES**

- 20.1 Bid solicitations are not required for Single Source Purchases, provided any of the following conditions apply:
  - 20.1.1 The compatibility of a Purchase with existing equipment, product standards, facilities or service is a paramount consideration
  - 20.1.2 A Good or Service is Purchased for testing or trial use
  - 20.1.3 There is an absence of competition for technical reasons and the Goods and/or Services can only be supplied by a particular Supplier a Sole Source is being recommended
  - 20.1.4 An unforeseeable situation of urgency exists, and the Goods and/or Services cannot be obtained in time by means of open procurement procedures
  - 20.1.5 The Municipality has a rental contract with a purchase option and such a purchase option is beneficial to the Municipality
  - 20.1.6 There are no bids in response to a Bid Solicitation
  - 20.1.7 A roster for Professional Services has been developed in accordance with Section 23 – Roster for Professional or Specialized Services of this policy

20.2 The Bid Approval Documentation shall be prepared in accordance with Section 28 – Reporting.

20.3 All Purchases shall be authorized in accordance with the Purchasing Approval Authorities set out in Schedule “C”.

## **21 SPECIAL CIRCUMSTANCE PURCHASES**

21.1 Purchases that are required to respond to Special Circumstances shall be authorized in accordance with Schedule “C”. All such purchases are exempt from the processes outlined under the Methods of Purchasing, but such processes may be followed where practical to do so, and in all instances must be reported to the CAO on the following business day.

## **22 NEGOTIATION**

22.1 Notwithstanding that negotiation may be a component of another procurement process, it may also be used for the purchase of goods and/or services when any of the following criteria apply:

22.1.1 The required Goods and/or Services are in short supply

22.1.2 Competition is precluded due to the existence of any patent right, copyright, technical secret or control of raw material

22.1.3 A Sole Source is being recommended

22.1.4 Two (2) or more identical Bids are received

22.1.5 The Lowest Compliant Bid received meeting all mandatory specifications exceeds the Budget amount

22.1.6 The extension of an existing Contract would be more effective

22.1.7 Only one (1) Bid is received in response to a Bid Solicitation

22.1.8 The Bid Solicitation process has been cancelled without Award

22.1.9 A roster for Professional Services has been developed in accordance with Section 23 – Roster for Professional or Specialized Services of this Policy

22.1.10 There is Council authorization to do so.

22.2 The Bid Approval Documentation shall be prepared in accordance with Section 28 - Reporting.

- 22.3 All purchases shall be authorized in accordance with the Purchasing Approval Authorities set out in Schedule "C".

## **23 ROSTER FOR PROFESSIONAL OR SPECIALIZED SERVICES**

- 23.1 An RFPQ or an RFEOI may be conducted for the purpose of developing a roster of qualified Suppliers of Professional or Specialized Services for groups of projects requiring similar and expertise. While the use of a roster is strictly optional, the associated RFPQ or RFEOI shall be conducted in accordance with the provisions of this Policy.
- 23.2 A Department Representative or Management Supervisor shall provide the Department Head with the relevant information regarding the Professional Services and required expertise.
- 23.3 A Department Representative or Management Supervisor and Department Head will prepare the RFPQ or RFEOI, inviting interested Suppliers to submit Bids outlining, among other things, their qualifications, availability, recent project experience, key personnel and roles and sufficient references satisfactory to the Department Director for work of a similar nature.
- 23.4 An evaluation team consisting of members (2) of the requesting Department and a member of the Finance Department shall analyze and evaluate the responses received using the criteria outlined in the RFPQ or RFEOI to select several qualified Suppliers of Professional or Specialized Services which shall be placed on a roster.
- 23.5 On subsequent projects, Suppliers of Professional or Specialized Services may be selected from the roster to submit detailed proposals in response to a Bid Solicitation, in accordance with Sections 15 through 19 of this Policy. The requesting Department shall invite Suppliers on the roster to provide Services, using best efforts to equally distribute opportunities amongst the Suppliers on the roster.
- 23.6 Alternatively, a Supplier may be selected from the roster to submit a Bid for Professional or Specialized Services in accordance with Section 20 or 21 of this Policy.
- 23.7 Rosters may be updated once every two (2) years.

## **24 FORMAL BID PROCESS**

- 24.1 All Bids (except for submissions in response to Requests for Pre-Qualification and Informal Quotations) shall be received by no less than two staff members, in accordance with the instructions in the Bid Solicitation, and opened in public at the time and place stated in the Bid Solicitation.

- 24.2 Bids received shall be opened and the Suppliers named, and the Bid amount(s) shall be read aloud and recorded unless the contents of a Bid envelope require validation in which case, the Bid will be reserved. If the reserved Bid is determined to be valid, a continuation of the Bid opening will be scheduled, and the results of the Bid opening will be posted.
- 24.3 When the Bid Solicitation is for registration purposes, only the Supplier's name will be read aloud and recorded.
- 24.4 Bid Irregularities shall be administered in accordance with Schedule "B".

## **25 BID WITHDRAWAL**

- 25.1 At any time prior to closing, a bid submission may be withdrawn by an officer of the submitting company. The withdrawal request must be in writing. The withdrawal of a bid does not disqualify the company from submitting another bid on the same tender call.

## **26 CO-OPERATIVE PURCHASING**

- 26.1 The CAO or Department Heads may enter into arrangements with any government body, ministry, agency, board, corporation or authority on co-operative or joint bases for Purchases of Goods and/or Services where there are economic or other advantages in so doing and such Purchases comply with this Policy.

## **27 CANCELLATION**

- 27.1 The Corporation may cancel a procurement process at any time without cause if it is in the best interest of the Corporation to do so.

## **28 REPORTING**

- 28.1 Prior to any Award, a Bid Approval Document shall be prepared by a Department Representative, signed and authorized in accordance with Schedule "C".
- 28.2 For purchases < \$100,000 a Purchase Authorization Form will be completed.
- 28.3 For purchases > \$100,000 a Council Report will be completed.
- 28.4 Lambton Shores Council will be advised of all Special Circumstance purchases.

## **29 PRESCRIBED COUNCIL APPROVAL**

- 29.1 Notwithstanding any other provision of this Policy, the following Awards require Council approval:

- 29.1.1 The recommended Award exceeds the amount budgeted for the Purchase
- 29.1.2 The Authority for the Award has not been expressly delegated to staff of the Municipality
- 29.1.3 The recommended Award is not the Lowest Compliant Bid
- 29.1.4 or any other irregularity
- 29.2 Lambton Shores Council may, by resolution, waive the provisions of this policy.

### **30 FINANCIAL SECURITIES, INSURANCE AND INDEMNITY**

- 30.1 The CAO or Department Head may require that a Bid be accompanied by a Bid Deposit or other similar security to guarantee that the successful Supplier enters into a Contract with the Municipality.
- 30.2 In addition to the security referred to in Subsection 30.1, the successful Supplier may also be required to provide:
  - 30.2.1 A Performance Bond to guarantee the performance of the Contract; and/or
  - 30.2.2 A labour and Materials Payment Bond to guarantee the payment for labour and materials to be supplied in connection with a Contract
  - 30.2.3 an irrevocable letter of credit or such further security as may be deemed appropriate in the circumstances
  - 30.2.4 Certified Cheque
- 30.3 The Municipality does not pay interest on any security or bid deposit.
- 30.4 The following criteria can be used as a guide to determine the form and amount of required security:
  - 30.4.1 The nature of the work and customary practices within the relevant trade or profession.
  - 30.4.2 The potential consequences if the contractor fails or is unable to fulfill contractual obligations.
  - 30.4.3 Prior to bid solicitation, the financial and operational stability of firms likely to submit bids., and



30.4.4 Following bid solicitation, the specific contractor's capability, including (as applicable and available) financial structure, past performance, payment history, credit rating, and cash availability relative to existing commitments.

30.5 The Supplier shall defend, indemnify and save harmless the Municipality of Lambton Shores, its elected officials, officers, employees and agents from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever, including but not limited to bodily injury, sickness, disease or death or to damage to or destruction of tangible property including loss of revenue or incurred expense resulting from disruption of service, arising out of or allegedly attributable to the negligence, acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of the Supplier, its directors, officers, employees, agents, contractors and subcontractors, or any of them, in connection with or in any way related to the delivery or performance of this Contract. This indemnity shall be in addition to and not in lieu of any insurance to be provided by the Supplier in accordance with this Contract and shall survive this Contract.

The Supplier agrees to defend, indemnify and save harmless the Municipality of Lambton Shores from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever arising out of or related to the Supplier's status with WSIB. This indemnity shall be in addition to and not in lieu of any proof of WSIB status and compliance to be provided by the Supplier in accordance with this Contract and shall survive this Contract.

30.6 Any bid documents in response to a bid request shall disclose all necessary insurance information and requirements.

30.7 All insurance must be in a form satisfactory to the Department Head and must be delivered prior to the commencement of work and shall remain in force for the duration of the contract inclusive of any maintenance period and shall include the following:

30.7.1 Name the Municipality as an additional insured, as applicable

30.7.2 Be primary and non-contributing

30.7.3 Contain a "cross liability/separation of insureds" clause; and,

30.7.4 Not be altered, cancelled or permitted to lapse without providing thirty (30) days prior notice to the Municipality by the insurer.

30.8 In general, the standard insurance minimums are as follows; however, from time to time, the Municipality reserves the right to increase or reduce the amounts as approved by the CAO and/or the Municipality's insurance provider:

30.8.1 \$5 million – commercial general liability policy

30.8.2 \$5 million – owned and non-owned automotive liability policy

30.8.3 \$1 million – homeowners (e.g. for rental of facilities)

30.8.4 \$5 million – professional errors and omissions liability (as applicable)

30.8.5 \$5 million – environmental impairment liability (as applicable)

30.8.6 The amount of the project cost – Builders Risk (as applicable)

30.9 Other Insurance Coverage – The Municipality reserves the right to request different limits of insurance or other types of policies appropriate to the agreement as the Municipality may reasonably require from time to time with review of the Municipality's insurance provider.

30.10 Prior to the commencement of work, the Supplier shall provide to the Municipality proof of insurance in accordance with the Bid Solicitation.

30.11 Failure to comply with all terms and conditions of Bid Solicitation, including failure to provide proof of insurance as required, shall be just cause for cancellation of the Award.

30.12 Prior to the Municipality issuing payment to a Supplier, the Supplier shall provide a Certificate of Clearance from the Workplace Safety and Insurance Board, if applicable, confirming all premiums or levies have been paid to the Board to date.

### **31 BID IRREGULARITIES**

31.1 The process for administering irregularities contained in Bids pertaining to all Bid Solicitations shall be as set out in Schedule "B".

### **32 FORM OF CONTRACT**

32.1 An award may require a formal written agreement.

32.2 An email award may be used when the resulting Contract is straightforward and will refer to the Municipality's standard terms and conditions outlined in the Bid Solicitation.

- 32.3 A formal written agreement satisfactory to the Municipal lawyer shall be used when the resulting Contract is complex.
- 32.4 It shall be the responsibility of the Department Head in consultation with the CAO to determine if it is in the best interest of the Municipality to establish a formal written agreement with the Supplier.

### **33 FORFEIT OF AN AWARD**

- 33.1 If a selected vendor withdraws his offer, the rules in the competitive procurement process request document will apply and the vendor may be disqualified from participating in future procurement processes for a period of up to two years.

### **34 SUPPLIER PERFORMANCE**

- 34.1 The project Management Supervisor shall monitor and document the performance of Suppliers providing goods and/or Services to the Corporation in a form outlined as Schedule “D” and shall advise the Department Head and subsequently the CAO in writing when the performance of a Supplier has been unsatisfactory. Such records will be kept for 3 years and monitored by the Department Head or Representative prior to the acceptance of any Bid Solicitation to ensure compliance with section B below.
- 34.2 The Municipality may, at its sole discretion, disqualify a Supplier from bidding on any Bid Solicitation or reject a Bid if a Supplier:
  - 34.2.1 has, at any time, threatened, commenced or engaged in legal claims or litigation against the Municipality
  - 34.2.2 is involved in a claim or litigation initiated by the Municipality
  - 34.2.3 previously provided Goods and/or Services to the Municipality in an unsatisfactory manner
  - 34.2.4 has failed to satisfy an outstanding debt to the Municipality
  - 34.2.5 has a history of illegitimate, frivolous, unreasonable or invalid claims
  - 34.2.6 provides incomplete, unrepresentative references, or receives unsatisfactory external and/or internal references in a reference check undertaken by Municipal Staff
  - 34.2.7 has engaged in conduct that leads the Municipality to determine that it would not be in the Municipalities best interests to accept the Bid.

### **35 DISPUTE RESOLUTION**

- 35.1 The Municipality encourages competitive bidding and an open, accountable and transparent process for the Purchase of Goods and/or Services.
- 35.2 To maintain the integrity of the Bid Solicitation process, Suppliers who believe they have been treated unfairly in a Bid Solicitation process may submit a Substantive Objection to the CAO providing sufficient detail regarding their complaint within:
  - 35.2.1 seven (7) days from the conclusion of the Bid opening process for Request for Quotations or Request for Tenders; or
  - 35.2.2 seven (7) days of the Supplier being notified of the results of a Request for Pre-Qualification or Request for Expressions of Interest or Request for Proposals.
- 35.3 The CAO will investigate the complaint and arrange a debriefing with the Supplier to explain the Bid Solicitation process that led to the selection of the successful Supplier.
- 35.4 Should a Supplier continue to have concerns respecting the Award and the decision, the Supplier may then request, in writing to the CAO, either a decision of Lambton Shores Council or the appointment of a mediator, to assist in resolving any outstanding issues between the Supplier and the Municipality.
- 35.5 The recommended mediator will be approved by both the Supplier and the Municipality.
- 35.6 Costs for the mediator shall be equally shared by the Supplier and the Municipality.
- 35.7 Any resolution reached through the mediation process shall remain confidential if requested by either of the parties.

### **36 LOBBYING RESTRICTIONS**

- 36.1 Suppliers, their staff members, or anyone involved in preparing a Bid, shall not engage in any form of political or other Lobbying whatsoever or seek to influence the outcome of the Bid Solicitation process or subsequent Award. This restriction extends to all of the Municipality's staff, and anyone involved in preparing a Bid Solicitation or participating in a Bid evaluation process, and members of Lambton Shores Council.

- 36.2 The Municipality may reject any Bid by a Supplier that engages in such Lobbying, without further consideration, and may terminate that Supplier's right to continue in the Bid Solicitation process.
- 36.3 During the Bid Solicitation process, all communications shall be made through the individual identified on the RFEI, RFPQ, RFP, RFQ or RFT as the main contact for that purchase. No Supplier or person acting on behalf of a Supplier or group of Suppliers, shall contact any elected official, consultant or any employee of the Municipality to attempt to seek information or to influence the Award.
- 36.4 Elected official shall refer any inquiries about a Bid Solicitation process to the CAO or identified individual in the solicitation.

### **37 ACCESS TO INFORMATION**

- 37.1 The disclosure of information received relevant to Bid Solicitations or Awards shall be made by the appropriate officers in accordance with the provisions of all relevant privacy legislation including primarily the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56, as amended.
- 37.2 All Suppliers who contract with the Municipality shall adhere to or exceed the standards set in the Municipal Freedom of Information and Protection of Privacy Act or the Personal Health Information Protection Act, 2004, S.O. 2004, c.3, Sched. A, or other relevant Ontario or Federal privacy legislation or common law as may be passed or amended from time to time, as if they were agents of the Municipality as it relates to the confidential and secure treatment, including collection, use, disclosure or retention, of personal (health) information, other confidential information of the Municipality, and all records thereof which they come into contact with in the course of performing Services or providing Goods to the Municipality.

### **38 SUSTAINABLE PROCURMENT PRACTICES**

- 38.1 the Municipality will consider sustainability in its procurement processes and strive for continuous improvement over time. While it is not possible for all sustainability aspects to be incorporated into every purchase, it is the intent of this policy that Municipal employees will wherever practicable incorporate and balance all relevant factors to the maximum extent possible. The Municipality will consider both the lifecycle impacts of the goods and services that are purchased, as well as the sustainability practices of its suppliers. The sustainability aspects that may be considered for any procurement include, but are not limited to:

- 38.1.1 Reduce material use, waste and packaging and promote reuse, recycled content, recyclability, reparability, upgradability, durability, biodegradability and renewable products
- 38.1.2 Maximize energy efficiency
- 38.1.3 Reduce greenhouse gas (GHG) emissions and air pollution, mitigate climate change and support climate change adaptation
- 38.1.4 Conserve water and/or improve water quality
- 38.1.5 Reduce or eliminate the use of toxins and hazardous chemicals; and
- 38.1.6 Contribute to biodiversity preservation and habitat restoration.

### **39 SURPLUS ASSETS**

- 39.1 All surplus assets shall first be offered to other Departments within the Municipality.
- 39.2 All land sale and other disposition of land shall follow CP-POL-003 – Sale and Other Disposition of Land Policy.
- 39.3 Department Heads shall have the authority to sell or dispose of all surplus assets, by sealed bid, public auction, trade in or any other public sale.
- 39.4 The sale of surplus assets shall be made to the highest bidder and in accordance with the provisions of this policy.
- 39.5 The respective Department or Reserve Fund shall be credited with the net proceeds, if any, from the disposal of its surplus assets unless otherwise agreed.
- 39.6 Surplus assets shall not be sold directly to an employee or to a member of Council, although this does not prohibit any employee or member of Council from purchasing surplus assets being sold through a public process.
- 39.7 Surplus assets may be donated to non-profit agencies or non-profit institutions for educational or teaching purposes only. The donated items shall not be re-sold. All donated surplus assets must be approved by the Council.

## **40 COMPLIANCE**

- 40.1 All people involved in the Purchase or Disposal of Goods and/or Services provided for in this Policy shall act in a manner consistent with the requirements and objectives of this Policy.
- 40.2 Purchases may not be divided into two (2) or more parts to avoid the requirements of this Policy.
- 40.3 Any Goods and/or Services that are obtained in contravention of this policy will be subject to investigation by the Municipality, following which the Municipality will take the necessary corrective action.
- 40.4 Any employee of the Municipality who knowingly contravenes this Policy commits a serious act of misconduct and may be subject to disciplinary action, up to and including termination of employment.

## **41 CONFLICT OF INTEREST**

- 41.1 Corporate accounts shall not be used to make personal purchases.
- 41.2 Every elected official, appointed officer, employee of the Municipality or member of an employee's family is expressly prohibited from accepting, directly or indirectly, from any person, company, firm or corporation to which any purchase order, contract is, or might be awarded, any rebate, gift or money, except:
  - 41.2.1 token gestures or moderate hospitality during the normal course of business that would not significantly exceed what the Municipality, through the employee's expenses account, would likely provide in return and would not be perceived by others as influencing the making of a business decision.
- 41.3 All elected officials shall comply with the Municipal Conflict of Interest Act, RSO 1990, cM.50 and the Municipal Code of Conduct for Council. All officers or employees of the Municipality shall declare all conflicts of interest or pecuniary interest to the CAO or Lambton Shores Council and shall not be involved in a Bid Solicitation process where a real or perceived Conflict of Interest has been found or deemed to exist, including, but not limited to:
  - 41.3.1 requesting the Goods and/or Services, setting parameters of the Purchase, evaluating Bids or recommending, deciding or making Awards
  - 41.3.2 direct contact with those making those Purchasing decisions and the user Department.

- 41.4 Suppliers shall not be allowed to submit a Bid for any Bid Solicitation in which the Supplier has participated in the preparation of the Bid Solicitation, and any such Bid submitted shall be disqualified.

## **42 SEVERABILITY**

- 42.1 If any section or sections of this Policy or parts thereof are found by an adjudicator or court of competent jurisdiction to be invalid or beyond the power of Council to enact, such section or sections or parts thereof shall be deemed to be severable and all other sections or parts of the Policy shall be deemed to be separate and independent there from and shall continue in full force and effect unless and until similarly found invalid or beyond the power of Council to enact.

## **43 APPROVAL**

<b>Council</b>	Staff Report # TR-21-2017	Resolution # 25-0715-14
<b>Authority</b>	Director of Financial Services	<b>Date</b> July 15, 2025
<b>Amended/Modified/Replaced</b>	<b>Date:</b>	



## **Procurement and Asset Disposal Policy**

### **Schedule “A”**

#### **Goods and Services exempt from provisions of the Purchasing Policy.**

##### **Petty Cash Items**

- (a) Upset limit of \$200.00

##### **Training and Education**

- (a) Conferences, conventions, courses and seminars
- (b) Memberships
- (c) Magazines, subscriptions, books, periodicals
- (d) Staff Development

##### **Reimbursable Expenses**

- (a) Meal allowances
- (b) Travel and Hotel accommodation
- (c) Mileage
- (d) Parking expenses
- (e) Miscellaneous – non travel expenses

##### **General Expenses**

- (a) Payroll deduction remittances
- (b) Payment for employment
- (c) Medical
- (d) Licenses (vehicles, elevators, radios, etc.)
- (e) Debenture and loan payments
- (f) Insurance Premiums
- (g) Grants / Donations to Agencies
- (h) Petty Cash Replenishment
- (i) Damage Claims
- (j) Legal and insurance settlements
- (k) Legal fees and other professional services related to a legal matter
- (l) Tax remittances
- (m) Postage

##### **Utilities** (monthly charges)

- (a) Water and sewer charges
- (b) Hydro charges
- (c) Internet connectivity charges
- (d) Cable television charges
- (e) Natural or propane gas
- (f) Telephone / Communication

**Professional and Special Services**

- (a) Committee Fees
- (b) Advertising
- (c) Fees for professional legal, human resources or related expert services
- (d) Payments that are subject to Cost Sharing Service Agreements
- (e) Honorariums
- (f) Banking services and charges
- (g) Ongoing maintenance and software licensing agreements for equipment such as computer hardware and software, telecommunications equipment, elevators, and HVAC equipment.

**Any purchase of goods or services specifically authorized by resolution which waives the purchasing policy.**

# **Procurement and Asset Disposal Policy**

## **Schedule "B"**

### **ACTIONS FOR IRREGULARITIES CONTAINED IN BIDS**

<b>No.</b>	<b>IRREGULARITY</b>	<b>ACTION</b>
<b>General</b>		
1	Late bids	Automatic rejection.
2	Failure to attend mandatory site visit (if required).	Automatic rejection.
3	The company submitting a bid has been disqualified from participating in a competition during the time of the competition request because of past working reputation with the municipality.	Automatic rejection.
<b>Bid Document - Execution</b>		
4	Signature of representative authorized to bind the Supplier missing or incomplete on the prescribed form which is to be submitted in response to a Bid Solicitation.	Automatic rejection.
5	Prescribed bid document form missing or incomplete or illegible	Automatic rejection
6	Signature of witness, if required, missing or incomplete.	Two (2) working days* to correct, otherwise automatic rejection.
7	Date of Bid missing or incomplete.	Two working days* to correct, otherwise automatic rejection or, if stated in the Bid Solicitation, automatic rejection.
<b>Insufficient Financial Security</b>		
8	No Bid Deposit, uncertified cheque, or financial security not an original (e.g. A photocopy or facsimile of a financial security).	Automatic rejection.
9	The amount of financial security is insufficient.	Automatic rejection, unless in the opinion of the Department Head, the insufficiency in financial

		security is trivial or insignificant.
10	Name, signature, or seal of bonding company is missing or incomplete.	Automatic rejection.
11	Failure to provide a letter of agreement to bond (if required).	Automatic rejection.
<b>Other</b>		
12	Incomplete, illegible or obscure Bids or Bids which contain information not called for	Two (2) working days* to correct to the satisfaction of the Department Head, otherwise automatic rejection.
13	Document, in which all necessary Addenda have not been acknowledged.	Two (2) working days* to confirm Bid to the satisfaction of the Department Head, if stated in the Bid Solicitation, automatic rejection.
14	Bid received documents other than those provided in the Bid Solicitation.	Automatic rejection, unless allowed in the Bid Solicitation.
15	Mathematical errors.	Unless otherwise stated in the Bid, the unit price shall prevail, and the total Bid price shall be adjusted accordingly. Two (2) working days* to initial the corrections as made by the Corporation. The Corporation reserves the right to waive initialing and accept Bid as corrected.
16	Qualified Bids (Bids qualified or restricted by an attached statement).	Automatic rejection.
17	Bids containing minor obvious clerical errors.	Two (2) working days* to confirm Bid to the

satisfaction of the  
Department Head.

18 Any other irregularities.

CAO or designate shall have authority to waive other irregularities or grant two (2) working days\* to initial such other irregularities considered to be minor.

19 Alternate items bid in whole or in part.

Available for further consideration only if the request document invites alternative goods.

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

## Procurement and Asset Disposal Policy

### Schedule “C”

#### Approval Authority

Method of Purchasing	Dollar Value (excluding taxes)	Tender Award and Contract Approval Authority	Procurement Process	Source of Bid	Report to Council Required
Low Value Purchases	\$5,000 or less	Management Supervisor if the budget is not exceeded	Direct Purchase	Purchases made from the competitive marketplace	No
Low Value Purchases	Greater than \$5,000 and less than \$10,000	Department Head if the budget is not exceeded; Add Treasurer if budget exceeded by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.	Direct Purchase	Purchases made from the competitive marketplace	No, unless the budget has been exceeded beyond Treasurer's approval.
Informal Requests for Quotations	\$10,000 or more and less than \$25,000	Department Head if the budget is not exceeded; Add Treasurer if budget exceeded by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.	Informal Quotation, Formal Quotations (Request for Quotation), Request for Proposal, Request for Tender	Invitational Competitive Procurement, Minimum of three (3) quotes were reasonably possible by invitation or open competition advertised on an electronic bidding system for a minimum of fifteen (15) calendar days	No, unless the budget has been exceeded beyond Treasurer's approval.

<b>Method of Purchasing</b>	<b>Dollar Value (excluding taxes)</b>	<b>Tender Award and Contract Approval Authority</b>	<b>Procurement Process</b>	<b>Source of Bid</b>	<b>Report to Council Required</b>
Request for Tender (RFT) or Request for Proposal (RFP)	\$25,000 or more and less than \$50,000	Department Head and Treasurer, if the budget is not exceeded; Add CAO if budget exceeded by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.	Formal Quotations (Request for Quotation), Request for Proposal, Request for Tender.	Open competitive RFT or RFP advertised on electronic bidding system for a minimum of fifteen (15) calendar days	No, unless the budget has been exceeded beyond CAO's approval.
	\$50,000 or more and less than \$100,000	Department Head, Treasurer and CAO if the budget is not exceeded; CAO can exceed the budget by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.	Request for Proposal, Request for Tender.	Open competitive RFT or RFP advertised on electronic bidding system for a minimum of fifteen (15) calendar days	No, unless the budget has been exceeded beyond CAO's approval.
	\$100,000 or more	Council	Request for Proposal, Request for Tender.	Open competitive RFT or RFP advertised on electronic bidding system for a minimum of thirty (30) calendar days	Yes

<b>Method of Purchasing</b>	<b>Dollar Value (excluding taxes)</b>	<b>Tender Award and Contract Approval Authority</b>	<b>Procurement Process</b>	<b>Source of Bid</b>	<b>Report to Council Required</b>
Non-Competitive Purchases	Greater than \$10,000 and less than \$50,000	Department Head and Treasurer, if the budget is not exceeded; Add CAO if budget exceeded by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.	Single source, sole source, negotiations		Yes
	\$50,000 or more and less than \$100,000	Department Head, Treasurer and CAO if the budget is not exceeded; CAO can exceed the budget by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.	Single source, sole source, negotiations		Yes
	\$100,000 or more	Council	Single source, sole source, negotiations		Yes



Method of Purchasing	Dollar Value (excluding taxes)	Tender Award and Contract Approval Authority	Procurement Process	Source of Bid	Report to Council Required
Special Circumstances	Less than \$50,000	Department Head if budget not exceeded; CAO can exceed the budget by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.			Yes
	\$50,000 or more	CAO approval and CAO can exceed the budget by the lesser of \$12,500 or 5% of the approved budgeted amount; Add Council if budget exceeded by a greater amount.			

**Procurement & Asset Disposal Policy**  
**Schedule “D”**  
**Vendor Performance Report**

**Vendor Scorecard Guidelines**

**Using the rated legend provided, provide a score for each question from 0-5.**

- o 0 – Did not meet expectations
- o 1 – Consistently fell far below expectations
- o 2 – Frequently missed expectations
- o 3 – Mostly met expectations but sometimes missed expectations
- o 4 – Consistently met expectations
- o 5 – Exceeded expectations

**1 – Quality**

**1.1 Deliverables**

Rate the Vendor’s performance in accordance with the Bid Specification’s Scope of Services and Deliverables and compliance with any applicable standards (e.g. Accessibility (AODA), GO-ITS Standards, ITIL, PMBoK, SDLC, etc.).

**Criteria to score questions:**

- i. Did the Vendor have a good understanding of the Assignment requirements (e.g. scope of Services, Deliverables, appropriate resource allocation and required timelines?)
- ii. Did the Vendor provide the Deliverables as and when described in the Bid Specification and comply with any applicable standards (e.g. Accessibility (AODA), GO-ITS Standards, ITIL, PMBoK, SDLC etc.) as defined in the Bid Specification?
- iii. Did the Vendor follow up to ensure deficiencies identified in the Deliverables were addressed?

**1.2 Competency**

Rate the competency (knowledge/expertise) of the Vendor’s Personnel that provided the Services.

**Criteria to score questions:**

- i. Did the Vendor’s Personnel have the appropriate knowledge/expertise to provide the Services/Deliverables required in the Bid Specification?

- ii. Was the Vendor's Personnel effective in managing and delivering the Assignment deliverables?
- iii. Did the Vendor's Personnel advise you of any required adjustments to budget and/or schedule as a result of changes requested by you, in a timely manner?
- iv. Did the Vendor's Personnel have the appropriate skills and knowledge to have a positive impact on the success of the Assignment?

### **1.3 Schedule**

Rate the Vendor's ability to meet the delivery commitments based on the approved assignment/deliverable schedule.

#### **Criteria to score questions:**

- i. Did the Vendor perform the Services and deliver the Deliverables as set out in the Bid Specification within the timelines set out in the Bid Specification?
- ii. Did the Vendor provide findings within a reasonable time on claims, disputes and other matters relating to execution or performance for the Services/Deliverables provided?
- iii. Did the Vendor's Personnel provide regular Assignment status updates (e.g. weekly meetings, timesheets) as per the requirements of the Bid Specification?
- iv. Did the Vendor provide qualified Personnel on time to begin the Assignment?

### **1.4 Knowledge Transfer**

Rate the Vendor's ability to facilitate knowledge transfer to you or your staff.

#### **Criteria to score questions:**

- i. Did the Vendor's Personnel provide successful knowledge transfer (e.g. reports, training, user manual/documents, mentoring) to you or your staff?

## **2 – Relationship Management**

### **2.1 Management Capabilities**

Rate the Vendor's management capability in terms of issue identification, solution development and issue resolution.

#### **Criteria to score questions:**

- i. Was the Vendor proactive at identifying, addressing and resolving any Assignment issues per the Bid Specification Deliverables?

- ii. Did the Vendor work together with you to resolve issues?
- iii. Did the Vendor leverage lessons learned throughout the term of the Bid Specification to enable more effective and efficient delivery?

## **2.2 Continuity of Personnel**

Rate the Vendor's ability to provide continuity of qualified Vendor's Personnel assigned for the duration of the Assignment.

### **Criteria to score questions:**

- i. Did the Vendor provide a continuity of Personnel for the duration of Assignment?
- ii. Did the Vendor provide adequate notice to you, with reasonable promptness, if there was an interruption in the continuous availability of Vendor Personnel?
- iii. If applicable, did the Vendor ensure successful knowledge transfer to any replacement Personnel?

## **2.3 Vendor Relations**

Rate the Vendor's ability to work well with your staff, management and stakeholders.

### **Criteria to score questions:**

- i. Did the Vendor maintain communication and foster collaboration with you and your team member/staff/stakeholders?
- ii. Did the Vendor communicate any issues along with a proposed action plan for mitigating delays?
- iii. Did the Vendor maintain ongoing/two-way communication with the Vendor Personnel and you and your staff?
- iv. If performance issues were identified, did the Vendor demonstrate measurable continuous improvement over the term of the Bid Specification?

## **3 – Value for Money**

### **3.1 Cost for Service Received**

Rate the performance of the Vendor relative to the Bid Specification cost for the Services/Deliverables received.

**Criteria to score questions:**

- i. Did the Vendor deliver the Services within your established budget and service standards?
- ii. Did the Vendor produce complete, accurate deliverables as defined in the Bid Specification, resulting in no or minimal change orders initiated by the Vendor?
- iii. Did the Vendor identify and implement any innovative ideas and advice that resulted in greater value for money?
- iv. Did the Vendor propose any cost saving measures that were implemented on the Assignment?

**4 – Overall Satisfaction**

**4.1 The average of all the above scores will result in an overall satisfaction of this Vendor's Performance from 0 to 5.**

## Vendor Performance Report

### Vendor Scorecard

Vendor Name: \_\_\_\_\_

Project Name: \_\_\_\_\_

	Evaluation Date #1	Evaluation Date #2 (Optional)
<b>1 – Quality</b>		
Deliverables		
Competency		
Schedule		
Knowledge Transfer		
<b>2 – Relationship Management</b>		
Management Capabilities		
Continuity of Personnel		
Vendor Relations		
<b>3 – Value for Money</b>		
Cost for Service Received		
<b>4 – Overall Satisfaction (Total)</b>		
Average of all above scores		