

**Township of Frontenac Islands**  
**Procurement Policies and Procedures**

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**SECTION I  
DEFINITIONS**

In this Policy,

1. **Acquisition**  
means the process used for obtaining goods and services
2. **Agreement**  
means a legal document that binds the Corporation of the Township of Frontenac Islands and all other parties, subject to the provisions of the contract
3. **Annual Aggregate Value**  
means the total amount anticipated to be spent annually by all departments on a particular type of good or service
4. **Approval**  
means authorization to proceed with the purchase or disposal of goods and/or services
5. **Bid**  
means an offer or submission received in response to a request for quotation, tender or proposal which is subject to acceptance or rejection
6. **Bid Irregularity**  
means a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response (see Appendix B)
7. **Bid Request**  
means a written request for bids or a solicitation, which may be in the form of a Request for Quotation, Request for Tender or Request for Proposal
8. **Chief Administrative Officer (CAO)**  
means the Chief Administrative Officer for the Corporation of the Township of Frontenac Islands
9. **Clerk**  
means the Municipal Clerk for the Corporation of the Township of Frontenac Islands
10. **Contract**  
means a legally binding agreement between two or more parties. Such agreements will consist in the form of a formal agreement between two or more parties that creates an obligation to provide defined goods and/or perform defined services

11. **Conflict of Interest**  
refers to a situation in which private interests or personal considerations may affect an employee's judgment in acting in the best interest of the Township of Frontenac Islands. It includes using an employee's position, confidential information or corporate time, material, or facilities for private gain or advancement or the expectation of private gain or advancement. A conflict may occur when an interest benefits any member of the employee's family, friends, or business associates
12. **Corporate Signing Officer**  
means the Mayor, and Municipal Clerk or other individuals designated by Council or this policy
13. **Cost Effective Bid**  
means a bid received in response to a request that offers the best value for the dollars expended taking into consideration a quantitative and qualitative selections procedure
14. **Council**  
means the Council for the Corporation of the Township of Frontenac Islands
15. **Co-op**  
means a Co-operative acquisition venture
16. **Department Head**  
means the person responsible for direction and operational control of a Department, or authorized designate
17. **Direct Appointment**  
means to directly appoint a consultant on the basis of defined selection criteria, including but not limited to qualifications and experience
18. **Disposal**  
means the removal of materials owned by the Township by sale, trade-in, auction, alternative use, gift, or destruction which are deemed surplus
19. **Emergency**  
means a situation where the purchase of goods and services requires immediate action to prevent or correct dangerous or potentially dangerous safety conditions, further damage, to restore minimum service or ensure the safety of the public
20. **Execute**  
means to legally bind the Corporation of the Township of Frontenac Islands to the terms and conditions defined within the Purchase Order and/or Agreement
21. **Expression of Interest**  
means a situation where vendors are solicited by the Township to advise the Township of their ability or desire to undertake Township requirements
22. **Goods and/or Services**  
includes supplies, equipment, property insurance, maintenance, professional and consulting services and service contracts not otherwise provided for
23. **Lowest Responsive Bid**

means the lowest bid price submitted which meets the requirements and specifications as set out in the bid request, minor deviations excepted

24. **Material Safety Data Sheets (MSDS )**

means Material Safety Data Sheets which must be submitted by the vendor for all hazardous materials, including an index of chemical compounds with details of properties, handling details, precautions and first-aid procedures

25. **Negotiation**

means the action or process of conferring with one or more vendors leading to an agreement on the acquisition of the required goods and services under the conditions outlined in this Policy

26. **Open Market Procedure**

means obtaining price quotations from vendors verbally or in writing

27. **Privilege Clause**

means the standard clause used in bid documents and advertising that reads in part "the lowest or any tender not necessarily accepted"

28. **Procure/Procurement/Purchase**

means to acquire by purchase, rental or lease of goods and/service

29. **Professional and Consulting Services**

includes architects, auditors, engineers, designers, planners, surveyors, management and financial consultants, brokers, legal services, and any other professional and consulting services rendered on behalf of the Township

30. **Proposal (Request for Proposal /RFP)**

means an offer to provide goods or services to the Township, where it is not practical to prepare precise specifications, or where "alternatives" to detailed specifications will be considered, which may be subject to further negotiation. This process allows vendors to propose solutions to arrive at the end product, and allows for evaluation on criteria other than price.

31. **Purchase Requisition**

means a request for goods and/or services initiated by the user, for which budget approval has been granted and sent to the Clerk or Treasurer for action.

32. **Quotation (Request for Quotation/RFQ)**

means an offer to sell goods and services to the Township or an offer to purchase surplus goods from the Township

33. **Real Property**

means land or buildings and any interest, estate or right of easement affecting same

34. **Responsive and Responsible Vendor**

means one who complies with the provisions of the bid solicitation, including specifications, contractual terms and conditions, and who can reasonably be expected to provide satisfactory performance on the proposed contract based on reputation, or references, or performance on previous contracts, and adequate financial and other resources

35. **Senior Management Team**  
is comprised of the Chief Administrative Officer (CAO) and Department Heads
36. **Single Source**  
means there is more than one source in the open market but only for reasons of function or service one vendor is recommended for consideration of the particular goods and/or services
37. **Surety**  
means a specified dollar amount in the form of cash, certified cheque, bid bond, performance bond, labour and materials bond, letter of credit or any other form as deemed necessary and stated in any quotation, tender or proposal documents issued by the Township
38. **Tender**  
means an offer received from a supplier of goods and/or services in response to a public advertisement requesting tenders sealed in an envelope
39. **Township**  
means the Corporation of the Township of Frontenac Islands
40. **Treasurer**  
is the Director of Finance/Treasurer for the Corporation of the Township of Frontenac Islands
41. **Verbal Quotation**  
means the requisitioning department will receive pricing via telephone or in person, and will retain written documentation of the conversation and document the information on the requisition.

**SECTION II  
PROCUREMENT PRINCIPLES AND GOALS**

The purchasing principles of the Corporation of the Township of Frontenac Islands are as follows:

1. To procure by purchase, rental or lease the required quality and quantity of goods and/or services, including professional and consulting services in an efficient, timely and cost effective manner;
2. To encourage open competitive bidding for the acquisition and disposal of goods and services where practicable;
3. To consider all costs, including, but not limited to, acquisition, operating, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs, in evaluating bid submissions from qualified, responsive and responsible vendors;
4. To give full consideration to the annual aggregate value or to consider the total project cost of specific goods and services that will be required by each department and by the Township as a whole prior to determining the appropriate acquisition method;
5. To monitor and report on the economic climate and legislative changes which may have an impact on the Township of Frontenac Islands and to determine the appropriate actions to be taken through purchasing policies and procedures;
6. To encourage the procurement of goods and services with due regard to the preservation of the natural environment, vendors may be selected to supply goods made by methods resulting in the least damage to the environment and supply goods incorporating recycled materials where practicable;
7. To have regard to the accessibility of persons with disabilities in the procurement of goods and/or services purchased by the Township
8. This policy will be reviewed every 5 years or earlier, to evaluate its effectiveness

**SECTION III  
GENERAL CONDITIONS**

1. Where a Department Head is authorized to undertake any act pursuant to this Policy, such act may be undertaken by the Department Head's authorized designate.
2. Any commitments being made where it is recommended that a contract be executed by the Mayor and the Clerk must first be approved by Council.
3. No expenditure or commitment shall be incurred or made and no account shall be paid by the Township for goods and services, except as approved by Council or as otherwise authorized in accordance with this policy.
4. Material Safety Data Sheets must be maintained on file by the user department for all relevant products whether acquired through tendering, quoting or the proposal process.
5. When using the privilege clause which reads in part "the lowest or any tender may not necessarily accepted", the specific reasons must be stated why the bids may not be accepted.
6. No employee or elected official shall purchase or offer to purchase, on behalf of the Township, any goods and services, except in accordance with this Policy.
7. Elected Officials shall not approve nor acquire any goods and services.
8. Any employee who intentionally and knowingly acquires or disposes of any goods and services for the Township in contravention of any section of this Policy, as amended from time to time, shall be subject to disciplinary actions in accordance with Township Policy.
9. No requirement for goods and services may be divided into two or more parts to avoid the provisions of this policy.
10. The Clerk shall, in conjunction with the Department Head, reject all all purchase requisitions for services where the services could result in the establishment of an employee-employer relationship.
11. That Schedules A-D (attached hereto) may be amended by the Clerk in consultation with the Treasurer, with a report to Council prior to final amendment, provided such amendments have been circulated to affected staff.
12. Any vendor with accumulated annual claims in excess of \$10,000 be reviewed for competitiveness.

**SECTION IV  
REQUIREMENT FOR APPROVED FUNDS**

1. Net Departmental expenditures are authorized by Council each year as part of either the Operating or Capital Budget process. Pending Council's approval of proposed budgetary estimates, Department Heads are authorized to spend up to 50% of the previous year's approved Operating Budget. Department heads are not authorized to overrun net departmental operating budgets, except in accordance with this Policy.
2. The exercise of authority to award a contract is subject to the identification and availability of sufficient funds in appropriate accounts within the Council approved Operating budget.
3. Where goods and services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to:
  - a. the identification and availability of sufficient funds in appropriate accounts for the current year within Council approved estimates, and
  - b. the requirement for the goods or services will continue to exist in subsequent years and, in the opinion of the Treasurer, the required funding can reasonably be expected to be made available, and

The Treasurer may reject all purchase requests for which sufficient funds are not available and identified. If the Department Head advises the Treasurer that the deficiency is minimal and alternative funding has been identified, the purchase request may proceed provided appropriate authorizations are met in accordance with this policy.

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

4. Where this policy prescribes financial limits on contracts that may be awarded under the authority of a Department Head, or provides for financial limits on contracts required to be reported to Council, for the purpose of determining whether a contract falls within these prescribed limits, the contract amount shall be the sum of:
  - a. all costs to be paid to the supplier under the contract, excluding all taxes
  - b. less any rebates



**SECTION V  
SPECIFICATIONS**

1. The department whose budget provides for the procurement of goods and services shall be responsible, in consultation with the Treasurer and any other Township department, for the preparation and approval of all specifications and/or Terms of Reference (Scope of Work) to be used for the procurement of such goods and services.
2. Where practical, specifications or Terms of Reference should be considered that are detailed but not brand specific to leave room for potential vendors to provide alternatives in the event an equal or better-proven product or method is available.

**SECTION VI  
STANDARDIZATION**

It will be the policy of the Township of Frontenac Islands, wherever possible, to standardize the procurement of goods and services to allow for:

1. reduced number of goods and services required
2. increased volume on common items or services
3. maximizing volume buying opportunities
4. providing economies of scale
5. reduced handling, training and storage costs
6. minimizing maintenance costs
7. co-operative purchasing activities
8. competitive bid results
9. reduced overall cost

**SECTION VII  
RESPONSIBILITIES AND AUTHORITIES**

1. The Department Head has responsibility for procurement activities within their departments and are accountable for determining and achieving specific objectives as outlined for each procurement project.
2. Department Heads have the authority to award contracts in the circumstances specified in this policy provided that the delegated power is exercised within the limits prescribed in this policy, and the requirements of this policy are met.
3. The Treasurer is responsible for:
  - a. providing procurement advice and services to Department Heads,
  - b. monitoring compliance with this policy.

4. Department Heads, in consultation with Treasury staff, shall inform Council that non-compliance with this policy has occurred.
5. The CAO has the authority to instruct the Department Head not to award a contract and may direct staff to submit recommendations to Council for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interests of the Township.
6. The Municipal Clerk or Department Head is required to forward to the Treasurer, a copy of all legally executed contracts relating to the procurement of goods and services.

## **SECTION VIII METHODS OF PROCUREMENT**

Notwithstanding any other provisions of this Policy, the acquisition of the items listed in Appendix "A" do not fall under the guidelines of the Purchasing Policy and shall be subject to applicable Policies and Procedures established from time to time.

### **1. PROCUREMENT OF GOODS AND/OR SERVICES**

Where the required product or service can be specified it shall be acquired by Purchase Requisition.

Where it is estimated that the value of the goods and services, inclusive of all delivery charges will cost:

- a. **\$0 to \$500**  
Direct acquisition is acceptable.
- b. **\$500 to \$2,500**  
The user department shall obtain 3 quotations, where possible and practicable.
- c. **\$2,500 to \$10,000**  
The initiating Department in consultation with the Clerk and/or Treasurer, shall obtain three (3) written quotations, where possible (using a Request for Quotation, invitational Request for Quotation, or other method). The Clerk or Treasurer may direct that a purchase requisition is required.
- d. **\$10,000 to \$50,000**  
The Clerk or Treasurer, in consultation with the initiating Department Head, shall issue a Request for Quotation. A minimum of three quotations (where possible) are to be received before the Township commits to a Vendor.  
If only one quotation is received, the Township may exercise its right to cancel the call for quotations. Quotations are not formally opened in public nor is it necessary to disclose prices or terms at the time of submission.

e. **\$50,000 and over**

The Clerk or Treasurer, in consultation with the requisitioning Department Head, shall issue a Tender for all approved projects based on defined requirements (specifications are available to readily compare products).

Tenders require a reply by a designated date and time, signed by a Corporate Officer, authorized to bind the Corporation. Any requested bid deposits, security or bonds must be included with the submission. Replies are delivered directly to the Clerk's Department and are opened at a public tender meeting. If only one tender is received, the Township has the option of not opening the bid and closing the call for tender.

Each sealed bid received in response to a formal bid request is reviewed to determine whether a bid irregularity exists, action is taken according to the nature of the irregularity (see Appendix B).

A report initiated by the issuing Department Head and reviewed by the Clerk and Treasurer shall be prepared for Council consideration and approval.

**Upon Council's approval, the Clerk shall ensure that a legally binding agreement is executed by the Mayor and Clerk.**

The Department Head, in consultation with the Clerk is responsible for maintaining current insurance certificates and WSIB certificates, as called for in the bid documents.

**2. REQUESTS FOR PROPOSALS  
(INCLUDING THE ENGAGEMENT OF PROFESSIONAL AND  
CONSULTING SERVICES)**

This method of acquisition can be used for any dollar value and involves the solicitation of proposals when the requirements for goods and/or services cannot be definitely specified, the requirements of the Township are best described in a general performance specification, and innovative solutions are sought. Depending on its' terms, the process may involve negotiations subsequent to the submission of proposals on any or all of the specifications, contract terms, and prices.

The Clerk shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation scoring scheme using a standard Request for Proposal that includes factors such as qualification and experience, strategy, approach, methodology, scheduling, and past performance, facilities, and equipment. Department Heads shall identify appropriate criteria from the list but are not limited to the standard criteria from the list. Requests for Proposals are not formally opened in public nor is it necessary to disclose prices or terms at the time of submission. If only one proposal is received, the Clerk, in consultation with the Department Head and Mayor has the option of not opening the bid and closing the call for proposal.

Where the required goods or service cannot be specified and it is estimated that the value of the goods and services (excluding all taxes) cost:

- a. **\$10,000 or less**  
a written quotation must be acquired by the initiating Department.
- b. **\$10,000 to \$50,000**  
written quotations shall be advertised through the Request for Proposal (RFP) process and evaluated on the basis of quantitative and qualitative criteria.
- c. **over \$50,000**  
written quotations shall be acquired through the Request for Proposal (RFP) process and evaluated on the basis of quantitative and qualitative criteria.  
A report to Council is required from the department issuing the RFP for Council consideration and approval.  
**Upon Council's approval, a contract must be executed by the Mayor and Clerk.**

**3. EXPRESSION OF INTEREST and/or  
REQUEST FOR PRE-QUALIFICATION**

Used where bidders offer their interest in submitting a bid on a product or service.

Advertised publicly, and information is requested to determine reference checks, past performance, and financial liability. A reply to the Request for Expression of Interest and/or Pre-Qualification is required by a designated date and time to the Clerk's Department, signed by an Officer authorized to legally bind the Corporation.

Submissions are reviewed and subsequently a Request for Quotation or Tender is prepared for a short list to invited pre-qualified bidders.

**METHODS OF PROCUREMENT – SUMMARY TEMPLATE**

The following are authorized procedures for the procurement of goods, services, and construction, not available from pre-existing agreements.

<b>METHOD OF PROCUREMENT</b>	<b>TYPE OF QUOTATION</b>	<b>SOURCE OF BIDS</b>	<b>TYPE OF CONTRACT</b>	<b>REPORTING STATUS</b>
<b>1. GOODS AND SERVICES</b>				
a. under \$1000			Direct acquisition	no report to Council required
b. \$1000 - 7,500		Purchases made from the competitive marketplace where possible and practicable	Direct acquisition	no report to Council required
c. \$7,500 - 10,000	Written quotation required	3 written quotes to be obtained where possible	Purchase requisition required if directed by Clerk or Treasurer	no report to Council required
d. \$10,000 – 50,000	Written quotation acquired by REQUEST FOR QUOTATION (RFQ)	Advertised on Township and community bulletin boards and in 1 local newspaper	Purchase requisition	report to Council required
e. over \$50,000	Written quotation acquired by REQUEST FOR TENDER	Advertised on Township and community bulletin boards and in 1 local newspaper	Purchase requisition Executed Contract	report to Council
<b>2. REQUESTS FOR PROPOSALS (INCLUDING THE ENGAGEMENT OF PROFESSIONAL AND CONSULTING SERVICES)</b>				
a.. under \$10,000	Written quotation acquired by Department Head		Written agreement	no report to Council required
b. \$10,000 to \$50,000	Written quotations through REQUEST FOR PROPOSAL	Advertised on Township and community bulletin boards and in 1 local newspaper	Written agreement	report to Council required
c. over \$50,000	Written quotations through REQUEST FOR PROPOSAL	Advertised on Township and community bulletin boards and in 1 local newspaper	Written contract	review by Solicitor report to Council
<b>3. EXPRESSION OF INTEREST and/or REQUEST FOR PRE-QUALIFICATION</b>				
	Request for information only, followed by INVITATION TO BID or PREQUALIFIED TENDER.	Advertised on Township and community bulletin boards and in 1 local newspaper	no contract. Followed by further request	no report to Council required

#### 4. EXCEPTIONS TO METHODS OF ACQUISITION

##### a. VOLATILE MARKET CONDITIONS

Notwithstanding the provisions of this policy, where market conditions are such that long term price protection cannot be obtained for goods and services, the Treasurer will obtain competitive prices for short term commitments until such time a reasonable price protection and firm market pricing is restored.

##### b. SOLE SOURCE PROCUREMENT

Purchase by negotiation may be adopted, if in the judgment of the Treasurer and in consultation with the requisitioning Department Head any of the following conditions apply:

- (i) goods and services are in short supply due to market conditions
- (ii) the sources of supply are restricted to the extent that there is not effective price competition, or consideration of substitutes is precluded due to any of the following:
  - a. components or replacement parts for which there is no substitute
  - b. compatibility with an existing product, facility or service is required
  - c. specific standards are adopted by Council
- (iii) there is documented evidence that the extension or reinstatement of an existing contract would prove most cost effective or beneficial (to a maximum of 10% of the original contract)
- (iv) work is required at a location where a contractor has already been secured through a tender process, with established unit prices by another party and it is considered to be beneficial and cost effective to extend the unit prices for the work to be completed for the Town
- (xii) after the RFP process has closed, it may be necessary for discussion to clarify and/or make significant revision(s) to the initially defined requirements of the call for quotations/proposals
- (xiii) when only one bid/proposal is received through the procurement process and it is impractical to recall the requirements of the call for quotations/proposals

**c. EMERGENCY PROCUREMENT**

Notwithstanding the provisions of this policy, the following shall only apply in case of an emergency, when an event occurs that is determined by a Department Head or the CAO to be:

- a threat to public health
- the maintenance of essential Township services
- the welfare of persons or of public property or
- the security of the Township's interests and the occurrence requires the immediate delivery of goods or services and time does not permit for competitive bids

The above criteria are to be applied on the basis of:

**(i) Procurement under \$10,000:**

Wherever feasible, the Treasurer, upon the recommendation of the Department Head, shall secure by the most open market procedure at the lowest obtainable price, any goods and services required.

**(ii) Procurement Over \$10,000:**

The Department Head shall obtain the prior approval of the CAO.

An information report shall be submitted to Council explaining the actions taken and the reason(s) therefore.

**d. CO-OPERATIVE OR JOINT VENTURES**

The Township may participate with other Government agencies or public authorities in co-operative procurement/acquisition ventures or utilize a 'piggy back clause' within public sector contracts, whenever it is determined to be in the best interest of the Township to do so.

**e. UNSOLICITED PROPOSALS**

Unsolicited proposals received by the Township shall be reviewed by the Department Head and Treasurer. Any procurement activity resulting for the receipt of and Unsolicited Proposal shall comply with the provisions of this policy. A contract resulting from an unsolicited proposal shall be awarded on a non-competitive basis only when the procurement requirements comply with the non-competitive procurement policies and procedures.

**f. COUNCIL DISCRETION**

On an exception basis Council, with staff input, may decide that a tender or competitive bids are not necessary and by Resolution Council can direct staff to proceed as it is felt that this exception will be the most cost effective and practical solution under the circumstances. An example would be when a supplier is extending the same price from a previous tender, and/or there is a

pressing need to proceed quickly, and that the extra administrative and time delays would be avoided by proceeding in this manner.

## **SECTION IX BID ANALYSIS**

Analyzing of bid responses shall be as follows;

1. Tenders shall be tabulated and analyzed by the initiating department staff, and a recommendation forwarded to the Clerk and Treasurer for review
2. Bid responses dealing with the lease, rental or purchase of physical assets shall be tabulated and analyzed by the initiating department staff, and a recommendation forwarded to the Clerk and Treasurer for review
3. All other bid responses shall be tabulated and analyzed by the Clerk and Treasurer in consultation with the initiating department staff.

## **SECTION X REPORTING**

### **GOODS AND SERVICES and PROFESSIONAL AND CONSULTING SERVICES**

1. Where the;
  - a. value of the goods and services is less than \$10,000, and
  - b. procedures defined by this policy has been followed, and
  - c. acquisition is within the approved departmental net budget amount, and
  - d. lowest responsive bid has being recommended.

No report to Council is required and the Treasurer shall execute a purchase requisition or arrange for an agreement or contract to be signed by the Department Head or Corporate Signing Officer(s).

2. Council approval is required where the:
  - a. value of the goods and services is over \$50,000, or
  - b. purchase is for vehicles or heavy equipment, or
  - c. purchasing policy is being waived, or
  - d. acquisition exceeds the approved capital budget amount by more than 10%, or
  - e. lowest responsive vendor submission is not being recommended, or
  - f. there was no provision in the budget for the item, or
  - g. CAO requests that a report be presented for Council consideration and approval

Based on the above criteria, a purchase requisition shall be issued and a contract executed by the Mayor and Clerk in accordance to the reporting guidelines in this policy.



3. All contracts will be held by the Municipal Clerk with copies being sent to the issuing department and the Treasurer.

## **SECTION XI DISPOSAL OF SURPLUS GOODS**

1. The Department Head shall notify the Treasurer once any item has been deemed as surplus assets for sale or disposal. If the value is greater than \$10,000, the Department Head shall obtain the approval of the Chief Administrative Officer prior to sale or disposition.

The Treasurer shall circulate a list of surplus assets available to all departments free of charge prior to the sale or disposition of such items.

2. Surplus assets not required by any other department shall be sold or disposed of by the Treasurer via formal auction, internet auction, tender, quotation or trade-in. Any remaining surplus assets may be awarded to a non-profit entity by the Treasurer. Revenue generated from the sale of surplus assets shall be credited to the appropriate equipment replacement reserve for future allocation.

## **SECTION XII CONFLICT OF INTEREST**

All consultants (eg: architects, engineers, etc.) retained by the Township of Frontenac Islands shall disclose to the Township prior to accepting an assignment, any potential conflict of interest. If such a conflict of interest does exist, the Township as directed by the Department Head may, at it's discretion, withhold the assignment from the consultant until the matter is resolved. And furthermore, if during the conduct of a Township assignment, a consultant is retained by another client giving rise to a potential conflict of interest, then the consultant shall so inform the Township.

**Schedule "A"**

**GOODS AND SERVICES "EXEMPT" from PROVISIONS OF THE PROCUREMENT POLICIES**

**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
- i) Staff development
- j) Staff workshops
- k) Subscriptions

**3. Employee Expenses**

- a) Advances
- b) Meal allowances
- c) Travel & Hotel accommodation
- d) Entertainment
- e) Miscellaneous – Non-Travel

**4. Employer's General Expenses**

- a) Payroll deduction remittances
- b) Licenses (vehicles, radios, etc.)
- c) Debenture payments
- d) Grants to agencies
- e) Payments of damages
- f) Tax remittances
- g) Charges to/from other Government or Crown Corporations
- h) Employee income

**5. Professional and Special Services**

- a) Committee fees
- b) Witness fees
- c) Honoraria
- d) Arbitrators
- e) Legal settlements

**6. Utilities**

- a) Postage
- b) Water and sewer related charges
- c) Hydro
- d) Telephone & other communication devices

**Schedule "B"**

**BID IRREGULARITIES**

**BID IRREGULARITY**

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

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

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

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

**MATHEMATICAL ERRORS - RECTIFIED BY STAFF**

The Clerk will correct errors in mathematical extensions and/or taxes, and the unit prices will govern. The responsibility for correcting mathematical errors may be delegated to the requisitioning department.

**ACTION TAKEN:**

The Clerk, Township Solicitor, and Department Head will be responsible for all action taken in dealing with bid irregularities, and acts in accordance with the nature of the irregularity:

- ✓ major irregularity (automatic rejection)
- ✓ minor irregularity (bidder may rectify)
- ✓ mathematical error (additions or extensions) as above

In the event that the vendor withdraws his bid due to the identification of a major irregularity, the Township may disqualify such vendor from participating in Township quotations/tenders/requests for proposals for a period of up to one year.

**BID IRREGULARITIES - SUMMARY**

ITEM	DESCRIPTION	MAJOR	MINOR	ACTION
1.	late bids (by any amount of time)	X		automatic rejection
2.	bids completed in pencil	X		automatic rejection
3.	bid surety not submitted with the bid when the bid request (or any addenda) indicated that such surety is required	X		automatic rejection
4.	EXECUTION OF AGREEMENT TO BOND: a. Bond company corporate seal or equivalent proof of authority to bind company or signature missing b. surety company not licensed to do business in Ontario	X		automatic rejection
5.	EXECUTION OF BID BONDS: a. corporate seal or equivalent proof of authority to bind company or signature of the BIDDER or both missing b. corporate seal or equivalent proof of authority to bind company or signature of BONDING COMPANY missing	X		automatic rejection
6.	OTHER BID SECURITY: Cheque which has not been certified	X		automatic rejection
7.	bidders not attending mandatory site meeting	X		automatic rejection
8.	unsealed tender envelopes	X		automatic rejection
9.	proper response envelope or label not used		X	acceptable if officially received on time
10.	pricing or signature pages missing	X		automatic rejection
11.	insufficient financial security (ie: no deposit or bid bond or insufficient deposit)	X or	X	where security is required & amount is not specified in request, automatic rejection unless insufficiency is trivial or insignificant -where security is required and amount of security is specified in request, automatic rejection
12.	bid received on documents other than those provided in request	X		not acceptable unless specified otherwise in the request
13.	EXECUTION OF BID DOCUMENT proof of authority to bind is missing	X		automatic rejection
14.	part bids (all items not bid)	X or	X	acceptable unless complete bid has been specified in the request

15.	bids containing minor clerical errors		X	2 working days to correct initial errors. Township reserves the right to waive initialling and accept bid
16.	uninitialed changes to the request documents which are minor (ie; the bidder's address is amended by overwriting but not initialled)		X	2 working days to correct initial errors. Township reserves the right to waive initialling and accept bid
17.	alternate items bid in whole or in part		X	available for further consideration unless specified otherwise in request
18.	unit prices in the schedule of prices have been changed but not initialled		X	2 working days to correct initial errors. Township reserves the right to waive initialling and accept bid
19.	other mathematical errors which are not consistent with the unit prices		X	2 working days to initial corrections. Unit prices will govern.
20.	pages requiring completion of information by vendor are missing	X		automatic rejection
21.	bid documents which suggest that the bidder has made a major mistake in calculations or bid			consultation with a Solicitor on a case-by-case basis and referenced within the staff report if applicable

**NOTE:** The above list of irregularities should not be considered all-inclusive. The Clerk, in consultation with the requisitioning department will review minor irregularities not listed. The Clerk may then accept the bid, or request that the bidder rectify the deviation.

Schedule "C"

**TENDER PROCESS**

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**Tenders will be called for all work, equipment, and materials with a value exceeding \$50,000 by way of public advertising or invitational bid, as outlined in the Township's Purchasing Policy.**

The Department Head will send a draft advertisement and tender documents to the Clerk and Treasurer for review, providing the following information:

- ✓ dollar value
- ✓ account number & Council authority
- ✓ description of work
- ✓ closing date

The Department Head will forward plans and specifications to the Clerk and Treasurer, at least three days before the ad appears.

The Clerk will advertise and distribute tenders, and book a suitable room for the tender opening:

- ✓ all public tenders are advertised on the bulletin boards in all Township offices, on local community bulletin boards and in at least one local newspaper having circulation in the Township
- ✓ In some instances the contract may be advertised to pre-qualify potential bidders. Pre-qualification of bidders includes the screening of potential vendors in which such factors as financial capability, reputation, qualified staff and equipment management and product quality are considered. After evaluation of responses, only those contractors who are "pre-qualified" are allowed to submit tenders

Advertisements must include the following information (if applicable): site meeting time/date/location, contacts names for technical and purchasing inquiries, document fee (if applicable), and location for pick up and drop off of bid documents.

The closing date is usually 15 calendar days after date of issue. However, a tender may be closed in a shorter or longer period of time depending on the urgency or complexity of the item(s) being tendered.

Advertised tender packages are available from the Township office located on Wolfe Island and the Township office located on Howe Island. The tender fee (if applicable) is paid to Treasury and information is recorded from bidders as documents are picked up.

All tender submissions must be addressed to the Municipal Clerk, Township of Frontenac Islands, and returned in the envelope provided with the tender package. The Clerk's Department will receive all sealed tender submissions and issue a date and time-stamped receipt.

The Clerk's Department will refuse to accept any tender submission that is

- ✓ not sealed
- ✓ received after the 12:00:00 noon closing deadline
- ✓ submitted after a tender has been cancelled.

Requests for withdrawal of a tender shall be allowed if the request is made before the closing time for the contract to which it applies. Requests must be directed to the Municipal Clerk by letter or in person, by a Senior Official of the company, with a signed withdrawal confirming the details. Telephone requests will not be considered. The withdrawal of a tender does not disqualify a bidder from submitting another tender on the same contract.

Tenders close at 12:00:00 noon on the appointed day, and are opened publicly at 12:10 pm. (unless otherwise specified in the tender documents).

Each tender is reviewed to determine whether a bid irregularity exists, and action is taken according to the nature of the irregularity (see Appendix B).

Tenders are tabulated and evaluated by the using department.

A report initiated by the issuing Department Head and reviewed by the Clerk and Treasurer shall be prepared for Council consideration and approval.

Following Council's approval, the Department Head shall ensure that a contract which legally binds the corporation, is executed by the Mayor and Clerk.

**Tender results, if requested, shall be made public by the Clerk's Department.**

**Schedule "D"**

**REQUEST FOR PROPOSAL PROCESS**

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REQUESTS FOR PROPOSALS (RFP's) may be called instead of tenders, by way of public advertising or invitational bid, as outlined in the Township's Purchasing Policy:

- ✓ when requirements or services cannot be definitively specified, or
- ✓ when the requirements or services are non standard or specialized in nature, or
- ✓ the cost is only a minor component making up the award.

The following information must be provided:

- ✓ approximate dollar value
- ✓ account number and budget authority
- ✓ description of work
- ✓ closing date

The User Department will initiate the RFP process by preparing documents, with input and assistance from the Treasurer if required.

Prior to printing, documents must be submitted to the Clerk and Treasurer for review to ensure that all provisions other than specifications have been included in the proper format.

The Clerk will advertise and distribute RFP packages.

All public RFP's are advertised on the bulletin boards in all Township offices, on local community bulletin boards and in at least two local newspapers having circulation in the Township. Advertisements must include the following information (if applicable): site meeting time/date/location, contacts names for technical and purchasing inquiries, document fee (if applicable), and location for pick up and drop off of bid documents.

The closing date is usually 15 calendar days after date of issue. However, an RFP may be closed in a shorter or longer period of time depending on the urgency or complexity of the item(s).

Public Request for Proposal document packages are available from the Township office on Wolfe Island and the Township office on Howe Island.



## **REQUEST FOR PROPOSAL PROCESS (continued)**

RFP's must be addressed to the Clerk, Township of Frontenac Islands. The Clerk's Department will receive all sealed submissions and issue a date and time-stamped receipt, if requested.

The Township of Frontenac Islands will refuse to accept any submission that is

- ✓ not sealed
- ✓ received after the 12:00:00 noon closing deadline
- ✓ submitted after an RFP has been cancelled.

Requests for withdrawal of an RFP shall be allowed if the request is made before the closing time for the contract to which it applies. Requests must be directed the Municipal Clerk by letter, or in person by a Senior Official of the company, with a signed withdrawal confirming the details. Telephone requests will not be considered. The withdrawal of an RFP does not disqualify a bidder from submitting another RFP on the same contract.

Proposals shall be opened at 12:10:00 p.m. on the appointed day for registration of bids, or at such time as may be set out in the RFP. Only names of bidders will be made public.

Proposals received shall be evaluated on the basis of quantitative and qualitative criteria by an Evaluation Committee.

**RFP's with an anticipated value over \$50,000** require the Town Solicitor's review prior to issuance, and a report from the department to Council for consideration and approval prior to the award. Following Council's approval, a contract must be executed by the Mayor and Clerk.

Once an award is made by Council, the report recommending an award shall be a matter of public record.

**RFP results, if requested, shall be made public by the Clerk.**