

THE TOWNSHIP OF WOOLWICH

BY-LAW NO. 95-04

**BEING A BY-LAW TO PROVIDE FOR PROCUREMENT PROCEDURES
AND TO REPEAL BY-LAW NO. 53-97**

WHEREAS the Council of the Corporation of the Township of Woolwich has deemed it desirable to have a By-law to provide for fair, transparent and accountable purchasing and tendering procedures and thereby to protect Council, vendors and staff involved in the process by providing clear direction and accountabilities.

AND WHEREAS the Council of the Corporation of the Township of Woolwich has deemed it desirable to repeal By-law 53-97, being the Purchasing By-law and pass a new By-law as herein set out.

AND WHEREAS The Municipal Act 2001, SO 2001 c. 25 Part VI, s. 271 states that Before January 1, 2005, a municipality and a local board shall adopt policies with respect to its procurement of goods and services, including policies with respect to:

- a) the types of procurement processes that shall be used;
- b) the goals to be achieved by using each type of procurement process;
- c) the circumstances under which each type of procurement process shall be used;
- d) the circumstances under which a tendering process is not required;
- e) the circumstances under which in-house bids will be encouraged as part of a tendering process;
- f) how the integrity of each procurement process will be maintained;
- g) how the interests of the municipality or local board, as the case may be, the public and persons participating in a procurement process will be protected;
- h) how and when the procurement processes will be reviewed to evaluate their effectiveness; and
- i) any other prescribed matter.

NOW THEREFORE THE MUNICIPAL COUNCIL OF THE CORPORATION OF THE TOWNSHIP OF WOOLWICH ENACTS AS FOLLOWS:

PART I – DEFINITIONS:

1. In this By-law:

- a) “**Authority**” or “**Authorized**” means the legal right to conduct the tasks outlined in this By-law as directed by Council and delegated to Department Heads. “**Authorized purchases**” are those that have prior approval of Council either through resolution or through the Departmental budget.
- b) “**CAO**” means the Chief Administrative Officer of the Corporation of the Township of Woolwich or designate.
- c) “**Clerk**” means the Clerk of the Corporation of the Township of Woolwich or designate.
- d) “**Consultant**” means a person or firm, who by virtue of a particular expertise, is hired by the Corporation to undertake a specific task or assignment that may include designing specifications and preparing plans or programs.
- e) “**Contract**” means any formal legal agreement for supply of goods, services, equipment or construction.
- f) “**Corporation**” or “**Township**” means the Corporation of the Township of Woolwich.
- g) “**Council**” means the Municipal Council of the Corporation of the Township of Woolwich.

- h) "**Department**" means any Department within the Corporation.
- i) "**Department Head**" means a member of the Senior Management Team or designate.
- j) "**Designate**" means a person authorized in writing by the Department Head or by the CAO or Clerk or Treasurer to act on his/her behalf, for the purposes of this By-law.
- k) "**Emergency**" means an event that occurs, which in the opinion of the Chief Administrative Officer or designate, requires immediate repair or replacement of equipment, services, or facilities in order to maintain a required public service or to prevent danger to life, limb or property within the Township of Woolwich.
- l) "**Goods and Services**" means all supplies, materials or equipment and related procurement services. This may include installation, training, inspection, maintenance and repairs and related procurement services, but does not include land purchases, sales and property leases.
- m) "**Lowest Ultimate Cost**" means the cost that results in the lowest cost of ownership, operation or purchase to the Corporation. This cost is arrived at after considering all factors such as price, quality, service, terms and conditions and warranties.
- n) "**Mayor**" means the elected Mayor of the Corporation or the person duly appointed to act in place of the Mayor.
- o) "**Procedures**" means internal instructions or guidelines to Departments, approved by the Senior Management Team.
- p) "**Proposal**" means an offer to supply goods or services on which end results are outlined but no detailed specifications given to the Bidders as to the goods or how the work is to be performed.
- q) "**Purchase Order**" means the legal document that is the Corporation's commitment to the supplier for the value of the goods or services ordered. It is also the supplier's authority to ship and charge for the goods specified on the order. A "**Blanket Purchase Order**" is an agreement between the Township and a supplier to sell goods for a specified period of time with a dollar limitation.
- r) "**Purchasing Agent**" means a Department Head or designate.
- s) "**Quotation**" means a request for prices on specific goods or services obtained formally through a Call for Quotations or informally from selected sources.
- t) "**Relationship**" means a parent, spouse, child, brother or sister.
- u) "**Requisition**" means a written or electronically transmitted request on an approved form, authorized by a Purchasing Agent, sent to the Treasurer to procure goods or services.
- v) "**Responsible**" means a Bidder or Offerer who is deemed to be fully technically and financially capable of supplying the goods or services requested in the solicitation.
- w) "**Responsive**" means a Bidder or Offerer who correctly and completely responds to all of the significant requirements outlined in the solicitation.
- x) "**Senior Management Team**" means the Senior Management Team of the Corporation of the Township of Woolwich.
- y) "**Tender**" means an offer in writing by way of a Call for Tender to execute certain specified work or to supply certain specified goods or services at a specific rate in response to the information contained in the Call for Tender.
- z) "**Treasurer**" means the Treasurer of the Corporation of the Township of Woolwich or designate.

PART II – AUTHORITY:

2. This By-law authorizes Department Heads and their designates to act as legal Purchasing Agents for the Corporation of the Township of Woolwich.
3. Subject to statutory requirements and where all the requirements of this By-law have been met, the Mayor and Clerk are authorized to execute contracts and any ancillary documents that have been prepared in a form satisfactory to the Township Solicitor, except where otherwise excepted in the By-law.

4. The Treasurer shall monitor adherence to the provisions of this By-law and the procedures adopted for its use. Failures to comply with the provisions of the By-law and the procedures shall be reported to the Senior Management Team and may be cause for disciplinary action up to, and including, dismissal.

PART III – PURCHASING GUIDELINES:

5. Responsibilities of Purchasing Agents:
 - a) To ensure that, except as otherwise stipulated, purchases of goods, services or equipment are made on a competitive basis, in keeping with accepted public purchasing practices and in accordance with the applicable federal, provincial and municipal laws;
 - b) To ensure that purchases are made at the lowest ultimate cost, with due consideration to the importance of quality and service, and in accordance with the approved policies and procedures of the Corporation;
 - c) To, wherever possible, promote and coordinate standardization of goods with the cooperation of all Departments and where beneficial to the Corporation, participate with other levels of government and other local agencies in co-operative purchasing plans;
 - d) To advise on and approve the practicability of specifications to ensure a maximum number of competitive bids and vendor's ability to supply;
 - e) To be responsible for the return of all supplies and termination of all contracts that do not meet the specifications set out in the Purchase Order or contract; and
 - f) To limit the use designates for the purposes of this By-law. In general, a Purchasing Agent shall only designate a direct subordinate to act on his/her behalf and only for a specific purpose or duration to serve a legitimate business purpose.
6. Except in accordance with this By-law, Purchasing Agents shall not:
 - a) Order goods that have not been provided for in the budgets of each Department;
 - b) Split a purchase to avoid any of the purchasing processes outlined in this By-law;
 - c) Make or authorize personal purchases; and
 - d) Solicit in-house bids in competition with outside firms.

PART IV – PURCHASING PROCESSES:

7. Dollar amounts shown in this By-law setting parameters for the purchasing process, except as otherwise stated, shall be the total cost excluding taxes and freight.
8. Upon authority of a resolution of Council or a written purchase requisition properly signed and authorized by a Purchasing Agent, the Treasurer shall, except as otherwise provided in this By-law, issue Purchase Orders for the acquisition of all goods, equipment and services.
9. Blanket Purchase Orders are permitted under this By-law. All invoices related to a blanket Purchase Order must be applied to the vendor's blanket order, including individual invoices less than \$1,000.00.
10. The Corporate Payment Card Program may be used by Purchasing Agents to acquire goods and services as set out in the Corporate Payment Card Program Policy and meeting the requirements of this By-law.

EXEMPTION

11. The following items are exempt from the purchasing process and Purchase Order requirements under Part IV of this By-law, and will be paid by the Treasurer upon receipt of an invoice signed by a Purchasing Agent certifying that the goods have been received along with appropriate general ledger account coding:

Exception	Description
Items < \$1,000.00	Items < \$1,000.00
Petty Cash Items	Purchases made in accordance with the Petty Cash Policy
Training and Education	Conferences, Conventions, Courses, Seminars, Memberships, Staff Workshops, Subscriptions
Refundable Employee Expenses	Advances, Meal Allowances, Miscellaneous Non-Travel, Travel Expenses, Entertainment Expenses
Employer's General Expenses	Payroll Deductions, Medicals, Licenses, Debenture Payments, Insurance Premiums, Grants to Agencies, Damage Claims, Petty Cash Replenishment, Tax Remittances, Refunds, Building Lease Payments, Postage, Freight Charges, Township Vehicle Fuel and Maintenance, Charges to or from other government agencies
Professional and Special Services	Committee Fees, Counselling Services, Laboratory Services, Legal Fees, Temporary Help, Banking and Investment Fees, Real Estate Fees, Audit Fees, Insurance Adjuster Fees, Honorarium, Arbitrator Fees
Utilities	Water and Sewer, Hydro, Gas, Telephone

LOW DOLLAR VALUE ITEMS:

12. Where the requirement for goods or services has an estimated **value less than \$20,000.00**, the Purchasing Agent, with a properly signed or electronically transmitted requisition, is empowered to make the purchase from such suppliers and upon such terms and conditions that are best for the Corporation. The Purchasing Agent is to solicit two competitive written quotations between **\$5,000.00 and \$10,000.00** and three written quotations between **\$10,000.00 and \$20,000.00** whenever possible. These quotations must be submitted to the Treasurer with the purchase requisition. Where it is deemed that it is not possible to obtain the number of quotations specified under this section, an explanation must be provided with the purchase requisition.

INFORMAL AND FORMAL SEALED QUOTATIONS:

13. Where the requirement for goods or services is estimated to **cost \$20,000.00 or more, but less than \$50,000.00**, the Purchasing Agent will work with the Treasurer and the purchase may be made on the authority of the Treasurer provided that a minimum of three quotations have been obtained. Formal Sealed Quotations will be called if deemed beneficial by the Treasurer. Sealed Quotations will be opened in the presence of the Treasurer and at least one other employee of the Township.
14. Where information supplied indicates that three quotations cannot be obtained for goods or services estimated to **cost \$20,000.00 or more but less than \$50,000.00**, excluding taxes and freight, justification to and approval to make the purchase is required from the Treasurer.

TENDERS:

15. All requirements for goods, services, equipment or construction for **\$50,000.00 or more**, shall be obtained by sealed tender or proposal and be awarded by Council approval.
16. The Treasurer shall issue all tender, proposal and consultants calls and receive all bids and replies.
17. The Treasurer, in consultation with the Purchasing Agent, will determine whether or not Bid Bonds and Performance and Labour bonding are required, subject to the following:

- a) In general, Bid Bonds and Performance and Labour bonding will be required for purchases over \$100,000.00. Purchases of lesser value may include bonding requirements if it is deemed in the best interest of the Township;
 - b) Where tender deposits are required, the Treasurer shall determine the form of deposit. Under no circumstances will interest be paid on tender deposits;
 - c) Where a tender deposit is required in connection with a contract for roadwork or the construction of bridges, sidewalks or other pedestrian facilities, the amount of tender deposit shall be in accordance with Ministry of Transportation guidelines or past accepted practice;
 - d) Where a tender deposit is required in connection with a contract for the construction or demolition of a building, the amount of the deposit shall be in accordance with past accepted practice;
 - e) In cases where the amount of the contract is not likely to represent the importance or extent of the contract, the Treasurer may increase or decrease the amount of the tender deposit otherwise required or not require a deposit;
 - f) The Treasurer shall retain, in safekeeping, the deposits of all tenders until an award has been determined, accepted, and a contract executed;
 - g) Should a tender not be awarded, the Treasurer shall forthwith arrange the return of tender deposits to the Bidders; and
 - h) The tender deposit may be used to mitigate costs or damages to the Corporation where a successful Bidder fails to execute the contract, or furnish any required documents within ten calendar days or as specified within the tender documents after notice to them to do so, or where a Bidder withdraws their tender after tenders have been opened.
18. The Treasurer shall prepare all tender documents, with technical assistance from the Purchasing Agent. These documents shall provide clear instructions, specifications, terms and conditions of the contract and shall include the following items:
- a) The tender envelope, which provides the following:
 - i. Name and address of the Township;
 - ii. The official designated to receive the tenders;
 - iii. The closing date and time;
 - iv. The contract or tender number; and
 - v. The name or general description of the tender.
 - b) The tender form, which provides the following:
 - i. A statement by the Bidder that the Bidder reviewed and understands the tender documents and that the Bidder is capable of and willing to perform the requirements of the contract and enter into a legal agreement with the Corporation in regard thereto;
 - ii. An execution by the Bidder. Where the tender is submitted by a corporation, it shall be signed by the duly authorized officer or officers of the corporation, or in the case of a partnership, by all signing partners;
 - iii. Irrevocable period of the tender response;
 - iv. The time limit for signing the contract shall be clearly stated; and
 - v. The following terms:
 - 1. "The Corporation reserves the right, in its sole discretion, to reject any or all bids, and the lowest or highest bid, as the case may be, will not necessarily be accepted."
 - 2. "Notwithstanding and without restricting the generality of the statement immediately above, the Township of Woolwich shall not be required to award or accept a tender, or recall the tenders at a later date:
 - a. When only one bid has been received as a result of a tender call;
 - b. Where the lowest Bidder substantially exceeds the estimated costs of the goods or service;

- c. When all bids received fail to comply with the specifications of tender terms and conditions;
 - d. Where a change in the scope of work or specifications is required.
 - c) Terms and conditions of the specific tender as well as the Township's standard terms and conditions document;
 - d) Special provisions where applicable;
 - e) Specifications; and
 - f) Evaluation criteria.
- 19. Tender documents for construction contracts may, in addition to the above, also include:
 - a) Drawings and plans;
 - b) Agreement documents;
 - c) Requirements for contract securities;
 - d) Requirements for evidence of good standing with the WSIB;
 - e) Requirements for Liability Insurance and Certificates; and
 - f) Requirements for Occupational Health and Safety Policies.
- 20. The Finance Department shall provide the tender documents upon every Bidders request accompanied by payment of any required fee thereto.
- 21. The Treasurer may from time to time pre-qualify persons or firms or obtain desired information for any bid call where it is in the best interest of the Township.
- 22. Through the utilization of the Ontario Public Buyers Association (OPBA) website and the Township's vendor database every effort will be made to send notification to registered firms. The onus is on interested firms to review the website from time to time for competitions that may be of interest to them.
- 23. At the discretion of the Treasurer, and with the possible addition of information supplied by the Purchasing Agent, invitations to tender, and requests for quotations and proposals may be sent to potential Bidders to ensure the best possible response to the call.
- 24. Where it is deemed necessary by the Corporation to revise the tender documents an addendum shall be forwarded to every person who obtained tender documents for the contract. The addendum shall be attached to all tender forms not yet distributed. Where an addendum is prepared too late to allow notification by mail, every person who obtained tender documents for the contract shall be notified by telephone, facsimile, or technological equivalent.
- 25. Where it is deemed necessary by the Corporation to extend the closing date, an advertisement setting out the extension will be inserted in the electronic medium and/or publication in which the original advertisement appeared, and every person who obtained tender documents shall be notified of the extension by telephone, facsimile or technological equivalent. Where a closing date has been extended, all Bidders shall be advised that any tenders submitted prior to the giving of the extension will be returned upon written request.
- 26. Where it is deemed necessary by the Corporation to cancel a tender call, an advertisement will be placed in the electronic medium and/or publication in which the original advertisement appeared stating that the tender call has been cancelled and every person who obtained tender documents shall be notified by telephone, facsimile or technological equivalent of the cancellation. Where a tender call is cancelled prior to closing, no tenders shall be accepted. All tenders received shall be returned unopened by registered mail with a covering letter.
- 27. Bidder inquiries should be faxed to the Treasurer, who shall obtain a response from the Purchasing Agent. These questions and their respective answers shall be written and issued

to all potential Bidders prior to closing. Any questions occurring during Bidders' meetings, site visits or information sessions will be treated in the same fashion, where possible.

28. The Treasurer shall provide a locked secure container for the safekeeping of tenders, subject to the following:
 - a) Every tender envelope received shall be noted with the date and time received and initialed by the Treasurer and forthwith deposited unopened in the secured tender container by the Treasurer;
 - b) Tenders received after the closing time shall be returned unopened to the Bidder by the Treasurer together with a covering letter. Where no return address is indicated on a late tender envelope, the envelope shall be opened by the Treasurer only, the address obtained and the tender returned together with a covering letter setting out why the envelope was opened; and
 - c) The Treasurer shall maintain a list of all Bidders. This list shall be used for recording the tender prices at the tender opening.
29. A Bidder who has submitted a tender may request that their tender be withdrawn. The withdrawal request shall be allowed if the request is made before the closing time for the contract to which it applies. An officer or partner of the Bidder must direct withdrawal requests in writing to the Treasurer. Tenders withdrawn will be returned unopened.
30. Tenders shall be opened in full view of all Bidders and any members of the public who wish to attend at a reasonable time following the close of bidding, at a time and location specified in the tender documents, subject to the following:
 - a) The Treasurer and the Purchasing Agent shall be present at every tender opening, and shall constitute the tender opening committee;
 - b) The list of Bidders prepared by the Treasurer shall be available;
 - c) The Treasurer shall ensure that all tenders have been accounted for prior to reading out the tenders. Tender envelopes, which do not indicate the contract number or the tenderers name, shall be opened and placed with other tenders for that contract;
 - d) The Treasurer shall announce for each contract the contract number, the contract description, the name of the Bidder, the total amount of the tender, and shall prepare a summary thereof;
 - e) In the case of Requests for Proposals, these submissions will be opened and their receipt acknowledged. Prices for proposals will not be disclosed. Any decision as to acceptance or rejection of proposals due to irregularities will not be made until a review has been conducted, and Bidders will be instructed not to conclude any particular award results from the opening itself;
 - f) Where two or more tenders are submitted in the same tender envelope, the one bearing the lower price shall be considered as the tender;
 - g) Where two or more tenders are submitted by the same Bidder, and no withdrawal request has been received, and where both tenders are identical, only the tender received at the latest time shall be considered; and
 - h) Immediately following the opening of tenders, every tender shall be checked to ensure compliance with the requirements of this By-law.
31. Tenders shall comply with the following minimum conditions. A Bidder's failure to comply with any of these conditions shall result in disqualification of the tender:
 - a) The tender form or format supplied by the Corporation shall be used;
 - b) A tender must be received by the official designated to receive tenders at the appropriate location on or before the closing date and time;
 - c) All tenders must be legible and written in ink or typewritten;

- d) Tenders and adjustments to tenders submitted by telephone, facsimile transmission or e-mail, shall not be considered. A Bidder wishing to make adjustments to a submitted tender must supercede it with a subsequent tender or letter enclosed in a tender envelope received on or before the closing date and time;
 - e) All tender forms must be duly executed as required;
 - f) All required documents, such as agreements to bond, bid bonds, security letters, or tender deposits, shall be enclosed in the same tender envelope as the tender;
 - g) All tender envelopes shall be sealed or secured;
 - h) The tender deposit shall be in the form specified in the tender documents. Where a deposit cheque is required, it must be certified cheque, a bank/trust company draft, or bid bond; and
 - i) All mandatory requirements stipulated in the Township's Request for Tender document must be met.
32. The Treasurer may reject a tender if:
- a) All items have not been bid, where stipulated, with the unit price for every item clearly shown;
 - b) Alternative tenders have been submitted where not requested in the tender documents;
 - c) The tender has been qualified by additions or alterations to the tender form, where not requested in the tender documents;
 - d) The tender envelope supplied by the Corporation has not been used;
 - e) Erasures, strikeouts, or over-writing have not been initialed by the signing party; or
 - f) Insufficient bid/contract security has been submitted.
33. A report respecting the award of the contract shall be prepared by the Purchasing Agent within the timeframe specified in the tender summary and shall remain confidential until it is distributed to Council.
34. By way of the Tender Report to Council, justification must be made for a recommendation to award in those cases where less than three bids are received.
35. In considering a contract award, the Purchasing Agent shall recommend that the award of the contract be made to the lowest responsive and responsible Bidder. In determining the "responsive and responsible Bidder", the Purchasing Agent and Treasurer shall consider the following, assuming the bid contains no major irregularities:
- a) The Bidder's ability, capacity and skill to perform the work;
 - b) Whether the Bidder can perform the contract promptly or within the time specified without delay or interference;
 - c) The quality of performance of previous contracts or services;
 - d) The sufficiency of the financial resources and ability of the Bidder to perform the contract;
 - e) The quality, availability and adaptability of the supplies or services to the particular use required;
 - f) The number and scope of conditions attached to the tender; and
 - g) Any other evaluation criteria as indicated in the Request for Tenders document.
36. The Treasurer shall note in the tender summary every improper tender, and shall state the reason the tender is considered improper.
37. If two or more low tenders are submitted in the same amount, the Treasurer shall include in the tender summary the method by which the award of the contract is recommended. When evaluation criteria for proposals are being graded, a grid or spreadsheet complete with score values shall be prepared by the Treasurer and signed by each member of the Selection Committee, summarizing the results. The Purchasing Agent will prepare the award report.

38. The Treasurer, following the approval of Council of the award of the contract, shall notify the successful Bidder. Where a formal contract is required, and approved by the Township's solicitor if necessary, it shall be submitted to the successful Bidder for execution.
39. As soon as the executed contract, and any other required documents are returned to and found acceptable by the Corporation, the tender deposits of the successful Bidder and the other Bidders shall be returned to them. Performance bonds from the successful Bidder shall be retained.
40. Where a contract has been awarded and the successful Bidder fails to execute the contract or any other required documents within the specified time, the Treasurer may:
 - a) Grant the successful Bidder additional time to fulfill the requirements; or
 - b) Award the contract to the second lowest Bidder.
41. Except as otherwise provided, no work may commence or commitment to purchase goods shall be entered into, until such time as an official Purchase Order has been issued and all necessary documents and approvals received.
42. Where the Corporation contracts work out in an agreement with the private sector, the policies and procedures of the Corporation will prevail in all tender, quotation and proposal calls.

PROPOSALS:

43. Requests for proposals may be called when the requirements for goods or services needed cannot be definitely specified. In these cases a proposal call will be made to obtain specific offers from Bidders to fulfill the requirements for the goods or services at a particular price. The following are the unique components of the proposal process:
 - a) Requests for Proposals will clearly establish required project outcome or requirements and contain existing conditions if applicable;
 - b) Requests for Proposals will specifically outline response requirements at time of proposal receipt;
 - c) Requests for Proposals will clearly outline the "evaluation criteria" complete with score values for each criteria that will form the basis of contract award;
 - d) A two-envelope system is to be used to isolate cost from material content. A Selection Committee, which must include the Purchasing Agent and Treasurer, is to be identified and will be responsible for weighing vendor responses using established scores identified in the proposal call;
 - e) Proposal unit values or contents of vendor proposal response will not be disclosed and will be held in confidence. Scoring activities of the Selection Committee will also be held in strict confidence until after the award. Only the final contract awarded price of the successful Bidder will be available upon award; and
 - f) Specific contract documents may be required such as architectural, engineering or construction related standard documents.
44. Requests for proposals may include requests for initial expressions of interest from consultants and the subsequent submission of detailed proposals.
45. Proposals for other than consulting services shall be called in accordance with the Purchasing By-law, evaluated by the appropriate Selection Committee and awarded in keeping with proper purchasing and tendering procedures. Proposals for any type of consulting service such as Engineering Studies, Architectural Studies, Feasibility Studies or other similar requirements shall be called and managed according to the "Consultants" section of this By-law.

46. The Treasurer, in cooperation with the Purchasing Agent, shall issue calls for proposals, either by invitation or advertisement.

CONSULTANTS:

47. Where the requirement for Consultant Services is estimated to cost **less than \$10,000.00**, the Purchasing Agent will select and recommend approval of the choice of the Consultant to the Senior Management Team.
48. Where the requirement for Consultant Services is estimated to cost **\$10,000.00 or more, but less than \$20,000.00**, a minimum of three written proposals are required and the selection made by a committee of three people, including the Treasurer and Purchasing Agent, and the final approval of the selection by the Senior Management Team. The Selection Committee will determine whether advertising is appropriate.
49. Where the requirement for Consultant Services is estimated to cost **\$20,000.00 or more**, a minimum of three written proposals are required and the selection made by a Committee of at least three people, including the Treasurer and Purchasing Agent. The Selection Committee will determine the need to advertise or invite proposals and will proceed through a staged selection process with a final report to Council requesting approval of their Consultant choice.

SPECIFICATIONS:

50. Purchasing Agents shall be responsible to prepare and provide to the Treasurer, specifications when required as part of tender and proposal documents. The Treasurer shall review all specifications, terms and conditions and have the authority to recommend changes.
51. Purchasing Agents shall review their contracts and tender specifications for goods and services, to ensure that wherever possible and economical, specifications are amended to provide for expanded use of products and services that contain post-consumer recyclable waste and/or recyclable content to the maximum level allowable, without significantly affecting the intended use or performance of the product or service. It is also recognized that a cost analysis may be required in order to ensure that the products are made available at competitive prices in order to increase the development and awareness of Environmentally Sound Products.

CO-OPERATIVE TENDERS:

52. Purchases made through co-operative buying procedures involving the Corporation require approval of Council only where the Corporation's portion of the purchase will be or exceeds \$50,000.00 in value, excluding taxes and freight.

ADVERTISING:

53. Advertising for tenders, quotations or proposals estimated to be or exceed \$50,000.00 excluding taxes and freight, shall be placed in at least one local or area newspaper at the discretion of the Treasurer. In compliance with trade laws, purchases in excess of \$50,000.00 shall also be posted on the Ontario Public Buyers Association (OPBA) website to ensure access to all vendors across the country. Purchases of a lesser amount may also be posted in a newspaper or on the OPBA Website at the discretion of the Treasurer.
54. The Call for Tenders shall be advertised at least ten calendar days preceding the closing date for tenders, unless otherwise directed by Council. Tenders exceeding \$100,000.00 shall be advertised at least fifteen calendar days preceding the closing date of tenders.

55. The Treasurer shall issue tender advertisements with technical assistance from the Purchasing Agent. The following contents shall be included in every tender advertisement:

- a) The name of the Corporation;
- b) The contract or tender number as assigned by the Treasurer;
- c) A general description of the tender complete with securities required;
- d) The official designated to receive responses;
- e) The date and time of closing and any mandatory Bidder's meetings or site visits;
- f) The location of the performance of the contract;
- g) The location where plans and specifications may be obtained;
- h) The administrative fee, if any, for tender documents;
- i) A statement that the lowest or any tender will not necessarily be accepted;
- j) Fax number for vendor inquiries; and
- k) Ontario Public Buyers Association (OPBA) website address.

NOTWITHSTANDING REPORTS:

56. Any reports to Council requesting authorization to proceed with a procurement of goods and/or services where the process to be used is outside of that provided for in this By-law, said report shall be forwarded to the Treasurer for review and comment prior to the review by the Senior Management Team.

EMERGENCY PURCHASES:

57. When an emergency occurs, the Treasurer has the authority to issue a Purchase Order, upon receiving a written or verbal request from a Purchasing Agent, for the goods or services required.

58. After the emergency is over, any expenditure over and above this By-law's authorization, shall be reported according to the requirements of the By-law.

59. Where the emergency falls within the scope of the Township of Woolwich Emergency Plan, the terms of that document shall apply.

PURCHASE BY NEGOTIATIONS:

60. The Purchasing Agent may under the following conditions negotiate with one or more Bidders and in such cases the requirement for inviting tenders or quotations is waived:

- a) When in the judgment of the Purchasing Agent, goods are judged to be in short supply due to market conditions;
- b) Where there is only one source of supply for the goods or services;
- c) Where two or more identical bids have been received;
- d) Where the lowest tender or quotation meeting specifications substantially exceeds the estimated cost and it is impractical to recall the tender or quotation;
- e) When all bids received fail to meet the specifications or tender terms and conditions and it is impractical to recall tenders or quotations;
- f) When no bids are received in a tender or quotation call; or
- g) When only one bid received in a tender or quotation.

61. When negotiations are deemed necessary they shall be carried out in consultation with the Treasurer.

62. Any negotiated purchase contract for \$50,000.00 or more in value, excluding taxes and freight, shall be subject to approval from Council.

63. The methods of negotiation shall be those accepted as standard negotiating procedures that employ fair ethical practices, as outlined in the Purchasing code of ethics of the Purchasing Management Association of Canada and the National Institute of Governmental Purchasing.

UNSOLICITED PROPOSALS:

64. Purchasing Agents shall review unsolicited proposals received by the Township. Any procurement activity resulting from the receipt of an unsolicited proposal shall comply with the provisions of this By-law. 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.

RECEIVING AND INSPECTION OF GOODS:

65. When a shipment is received, the Receiver is responsible to ensure that there is no evidence of damage and that the goods and quantities described in the Bill of Lading are correct.
66. In the event that there are discrepancies, the Receiver is responsible to note the details on the Bill of Lading and, if possible, the delivery agent should sign the Bill of Lading to indicate his/her concurrence.
67. Bills of Lading, Freight bills and/or packing slips should then be signed by the Receiver and forwarded to Accounts Payable.

PART V – ACQUISITION OF GOODS AND SERVICES FROM GOVERNMENT BODIES:

68. Purchasing Agents may acquire any goods or services from a federal, provincial or municipal body, ministry, agency, board, corporation or authority when similar goods or services are not available from other sources or in the case of Provincial or Federal Standing Agreements, the Purchasing Agent may take advantage of these opportunities if they are deemed to be in the best interest of the Township.

PART VI – DESIGN AND DEVELOPMENT SERVICE:

69. Suppliers, potential suppliers and consulting firms shall not be requested to expend time, money, or effort to design or in developing specifications or otherwise help define a requirement beyond the normal level of service expected. Should such extraordinary services be required, the Senior Management Team will be advised. If there is no alternative but to request such services, then the company providing same shall be compensated at a predetermined fee. The resulting specifications shall become the property of the Corporation for use in obtaining competitive bids.
70. Suppliers or Consultants who provide design services and/or specifications for work to be tendered or quoted shall not be permitted to submit a bid for said work.

PART VII – CONFLICT OF INTEREST:

71. Elected officials are expected to avoid actual or perceived conflicts of interest and are to abide by the provisions of the Municipal Conflict of Interest Act. In the case of a tender or request for proposal, the Treasurer shall not open and consider any bid from an elected official of the Township, when the involvement of an elected official is known, unless the elected official obtains approval from Council prior to the close of the bid. The Treasurer shall report other routine purchases from elected officials to Council, when the involvement of an elected official is known, prior to the award of a contract or the acquisition of goods or

services, for Council's information, without any action required on the part of Council, unless Council wishes to provide alternative direction to staff.

72. Officers and employees of the Corporation are to avoid actual or perceived conflicts of interest in accordance with the Township's Conflict of Interest Policy.
73. No Council member or employee of the Township may purchase goods or services for personal use through the Corporation unless authorized by Council or the Department Head and the CAO.
74. Except in accordance with this By-law, no elected official, officer or employee of the Township shall have contact with a person, or any officer, employee or agent of the person who has submitted a bid to the Township, unless the bid call has been awarded, the contact is for the purpose of receiving a complaint or the contact is for a purpose entirely unrelated to the bid or contract.

PART VIII – DISPOSAL OF SURPLUS:

75. Where any goods are surplus, obsolete or unrepairable, they shall be declared surplus.
76. When no other use can be found for these items in other Departments, they shall be added to the surplus list and at the discretion of the Treasurer, disposed of through public auction, tender or quotation, whichever is in the best interest of the Corporation.
77. At the discretion of the Treasurer and in consultation with the affected Department Head, rolling stock that is declared surplus will be offered, for a fair price, to other municipal agencies within the Region of Waterloo prior to public disposal.
78. Where the item has limited market value the Treasurer may, to the benefit of the Corporation, dispose of the item in a manner other than the ones listed above.

PART IX – PAYMENT:

79. The Treasurer shall honour and pay for all goods or services covered by a Purchase Order Contract, Progress Certificate on Construction or other authorized purchase methods available to Township Departments.
80. No prepayment of all or part of any goods, services or equipment shall be made unless provision for it is included in the Purchasing agreement as evidenced by a tender, Purchase Order, or other form of purchasing contract.

PART X – LEGAL CLAIMS:

81. No tender, proposal or quotation will be accepted from any company inclusive of its subcontractor, which has a claim or instituted a legal proceeding against the Township or against whom the Township has a claim or instituted a legal proceeding with respect to any previous contract, without prior approval by Council.

PART XI – COMPLAINTS:

82. Resolution of a complaint from any vendor shall not cause delay in awarding contracts.
83. Any vendor complaint shall first be directed to the Treasurer. If the Treasurer is unable to resolve the complaint, it shall be brought to the attention of the Senior Management Team. If the Senior Management Team is unable to resolve the complaint, the matter shall be brought before Council for final resolution.

PART XII – ADMINISTRATION:

84. The Treasurer will bring forward from time to time, amendments to this By-law to update, whether adding new clauses or adjusting those currently in force.
85. In this By-law, unless the context requires otherwise, words importing the singular shall include the plural and words importing the masculine gender, shall include the feminine.
86. Should any part of this By-law be determined by a Court of competent jurisdiction to be invalid or of no force and effect, it is the stated intention of Council that such invalid part of this By-law shall be severable and that the remainder of the By-law shall continue to operate and be in full force and effect.
87. This By-law shall come into force and effect on January 1, 2005.
88. Purchasing By-law 53-97 of the Township of Woolwich shall be repealed on January 1, 2005.

PASSED THIS 9th DAY OF November, 2004

Wm. L. Strauss
Mayor

Christine Broughton
Clerk