

THE CORPORATION OF THE CITY OF BELLEVILLE
BY-LAW NUMBER 2023-183

BEING A BY-LAW TO DEFINE THE PURCHASING POLICIES FOR THE PROCUREMENT OF GOODS AND/OR SERVICES FOR THE CITY OF BELLEVILLE.

WHEREAS this By-law established the authority and sets out the methods by which the City of Belleville will procure Goods and/or Services subject to certain exceptions set out herein;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF BELLEVILLE ENACTS AS FOLLOWS:

In this By-law and in Appendix A – By-law Exemptions and Appendix B – Bid Irregularities and Appendix C – Levels of Approval authority, attached to this By-law:

1. DEFINITIONS:

“Award” means the selection of a Bidder and their Goods and/or Services as accepted by the City;

“Agreement to Bond” means a letter or other form issued by a bonding agency licensed to operate by the Government of Canada or the Province of Ontario advising that, if the Bidder is successful, the bonding agency will issue the required bonds;

“Addenda or Addendum” means such further additions, clarifications, deletions, modifications or other changes to any Bid Document;

“Bid” means the Bidder’s offer to sell to the City;

“Bidder” or “Proponent” means a person, Supplier, Vendor, contractor, developer or professional, who submits a Bid to the City;

“Bid Deposit” means currency, certified cheque, bank draft, bond surety issued by a surety company, Irrevocable Letter of Credit, or other form of negotiable instrument submitted by a Bidder as evidence of their commitment to enter into an Agreement to do the work outlined in the Bid Solicitation;

“Bid Document” means a Request for Tender, Request for Quotation, Request for Proposal or other document that states the City’s desire to buy or to consider buying and Bidders/Proponents offer to sell to the City, the Goods and/or Services defined in the Specification and/or Scope of Work;

“Bid Irregularity” means a deviation between the requirements of a Bid Document request and the information provided in the Bid response;

“Bidding System” means an electronic bidding system for the secure transmission of bidding documents, Bid data and related documents in connection with the procurement of Goods and/or Services;

“Blanket Purchase Order” is a term Contract or Agreement between the City and a Supplier and is used to address estimated recurring Purchases of Goods and/or Services required over a specific period;

“Certificate of Clearance” means a certificate issued by an authorized official of the WSIB in compliance with the Workplace Safety and Insurance Act, 1997, specifically Part XII, section 141, 141.1 and 141.2, as applicable and as amended;

“Certificate of Insurance” means official original documents issued by an insurance company acceptable to the City and licensed to operate by the Government of Canada or the Province of Ontario certifying that the Bidder is insured in accordance with the City’s insurance requirements as noted in the Bid Document;

"City" means The Corporation of the City of Belleville;

“Committee” means a committee duly appointed by Council;

“Contract” or “Agreement” means a binding agreement between two or more parties that creates an obligation to provide a particular Goods and/or Services;

“Co-operative Purchasing/VOR arrangements”: means the City enters into a purchasing arrangement with other municipalities or other public authorities or governmental agencies;

"Council" means the Council of The Corporation of the City;

"Designate" means a person provided with the written authority to act on another person's behalf, notice of which shall be filed with the City Treasurer;

“Department” means any City Department;

"Department Head” means the head of any City Department;

“Electronic Bidding (Facsimile, Email or Internet)” means a method of issuing Solicitations and/or receiving Bids where the process of issuing and/or receiving Bids by facsimile, email or internet is considered appropriate;

“EOI” means Expression of Interest, a process whereby the City uses a focused market research tool to determine Bidder interest in a proposed procurement;

“Evaluation Committee” means a committee of staff, which may include the Purchasing Supervisor, and/or outside consultant(s), established by the Department Head, to evaluate Submission(s) according to the evaluation criteria in the Bid Document;

"Goods and/or Services" includes supplies, equipment, furniture, fixtures, construction, maintenance and service Contracts and professional and consulting services but does not include Real Property;

“Improvements” has the meaning given to it in the Construction Act.

“Labour and Material Bond” means a bond issued by a surety company on the City standard Form of Bond to ensure that the contractor will fulfill its obligations to its employees, subcontractors and Suppliers and thereby protects the City. Any changes to the standard Form shall require approval of the Purchasing Supervisor;

“MFIPPA” means Municipal Freedom of Information and Protection of Privacy Act;

“Official Documents” means the mandatory documents required by the City from the Vendor before execution of a Contract i.e. Certificate of Insurance, WSIB Certificate, Health & Safety Declaration, Bonding, etc.;

“Ontario Construction Act” means the legislation as enacted by the government of Ontario as the Construction Act RSO 1990 c. C.30 and any amendments thereto.

“Performance Bond” means a bond issued by a surety company on the City standard Form of Bond executed in connection with a Contract and which secures the performance and fulfillment of the undertakings, covenants, terms, conditions and agreements contained in the Contract. The City, at its option, may accept renewable bonds. Any changes to the standard Form shall require the approval of the Purchasing Supervisor;

“PO Amendment” means any change to the original approved scope and/or value of a Contract and/or Purchase where the total cost of goods, services, or construction exceeds \$100,000;

“PO Amendment Form” means an approved document authorizing a PO Amendment where the total cost of Goods and/or Services exceeds \$100,000;

“Proposal” or “Submission” means an offer submitted in response to an invitation to a Supplier to provide Goods and/or Services, on certain terms and conditions;

“Proponent” means a party submitting a Proposal;

“Purchase” means the acquisition of Goods and/or Services;

“Purchase Order” or “PO” means a document issued to a Vendor formalizing the terms and conditions to Purchase Goods and/or Services;

“Purchasing Card (P-Card)” means a type of credit card issued at a corporate level by an authorized lending institution. The cards are issued in an individual’s name, but the charges incurred are the liability of the City;

“Purchasing Supervisor” means the Purchasing Supervisor of the City ;

“Purchasing Services” means the Purchasing Services Department within the City of Belleville Finance Department;

“Quotation” means an offer from a Supplier to provide to or Purchase from the City Goods and/or Services;

“Real Property” includes lands, buildings, tenements and any interest, estate, right or easement in lands;

“Request for Proposal or RFP” an invitation to submit proposals to provide goods and/or services based on an approved format of the City containing terms and conditions; the acceptance of which may be subject to further negotiation. Other factors, in addition to price, will be considered in the selection of the contract;

“Request for Quotations or RFQ” means a form of Bid solicitation whereby the City publishes the specifications, terms, conditions and details concerning the proposed Agreement, to submit sealed Bids in response to detailed specifications;

“Request for Tender or RFT” is a process whereby the City publishes the specifications, terms, conditions and details concerning the proposed Agreement;

“Request for Information or “RFI” means a non-binding solicitation of input from interested parties with respect to a possible future procurement process. This is a common procurement practice used to obtain product/service details, comments, feedback or reactions from potential Suppliers/contractors prior to the issuing of a call for Bid. A firm price or cost information is not required. Feedback may include best practices, industry standards, technology issues, etc;

“Request for Prequalification or “RFPQ” means a request for the detailed submission of the experience, financial strength, education, background and personnel from individuals, firms or corporations who may, from time to time, qualify to supply Goods and/or Services to the City, but which does not create any contractual obligation between the respondent submitting the pre-qualification submission and the City, but which may be a pre-condition to submitting a further Bid or Proposal to the City;

“Supplier” means a person or company from whom the City may Purchase or lease Goods and/or Services;

“Single Sourcing” means the procurement of goods and/or services from a particular Vendor rather than through the solicitation of Bids from multiple Vendors who can also provide the same/similar Goods and/or Services;

“Sole Sourcing” means the procurement of goods and/or services that are unique to a particular Vendor and cannot be obtained from other sources;

“Tender” means an offer from a Bidder to provide Goods and/or Services in response to an RFT, the acceptance of which will result in the formation of a binding Contract between the City and the Bidder submitting the Tender;

“Trade Agreement” means an interprovincial or international trade agreement to which Ontario is a party and which contains obligations related to the procurement of goods Contracts and service and construction Contracts.

“Total Cost” or “Total Dollar Value” means the sum of all costs for the initial procurement contract term, excluding any optional extension periods and non-refundable taxes.

“Treasurer” means the City Treasurer;

“User Department” means the Department within the City that requires the Goods and/or Services and for which the Department Head or their Designate is the contact for the purposes of the procurement process;

“Vendor” means a party that supplies Goods and/or Services to the City.

“WSIB” means the Ontario Workplace Safety and Insurance Board.

2. OBJECTIVES:

To procure in a timely, cost-effective, and objective manner by purchase, renting or leasing the required quality and quantity of goods and services in an open and fair and transparent manner.

- To improve service and support to all Departments.
- To maximize value of dollars spent.
- To promote sound inventory management.
- To reduce operating cost by the effective use of available time.
- To maintain effective purchasing controls.
- To strengthen public relations through proper communications with contractors and suppliers.
- To comply with legal and legislative requirements including Trade Agreements.
- To ensure there is regard given to the accessibility of persons with disabilities for the goods and services purchased.

3. AUTHORIZATIONS:

Council has ultimate authority to approve all expenditures. Council provides the authority to staff for the initiation and completion of procurement processes as per Appendix “C” – Levels of Approval Authority attached to and forming part of this policy.

4. CODE OF ETHICS:

Goal: To ensure ethical, professional and accountable procurement.

Members of Council or of a Committee, appointed officers and employees of the City, directly or indirectly involved at any stage of any Purchase of Goods and/or Services on behalf of the City shall, at minimum, adhere to the following principles:

- a) **Open and honest dealings with everyone who is involved in the procurement process. Procurement activities should be open and accountable to the greatest extent possible.**

This includes all businesses with which this City Contracts or from which it Purchases goods, services, and construction, as well as all members of City staff and of the public who utilize the services of purchasing services.

- b) **Fair and impartial Award recommendations for all Contracts and Tenders. Contracting procurement activities must be fair, transparent and conducted with a view to obtaining the best value for public money.**

This means that the City does not extend preferential treatment to any Prospective Vendor, including local companies.

- c) **A high standard of personal integrity on the part of all those designated as procurement representatives for this Corporation.**

Employees involved with procurement activities must act, and be seen to act, with integrity and professionalism. Honesty, and care must be integral to all procurement activities within and between the organization, Suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing Suppliers or products.

Members of Council or of a Committee, appointed officers and employees of the City are expressly prohibited from accepting, directly or indirectly, from any person, company or corporation to which any Purchase Order or Contract is, or might be awarded, any rebate, award points, gift, money or anything of value whatsoever, except where given for the sole use and benefit of the City.

Lobbying by Bidders to Council members will be prohibited. This provides a fair process to all Bidders during the review process and protects staff and politicians from allegations of attempting to influence decisions when making Awards. If a staff member or Council member is aware of lobbying by a Vendor, they should notify their immediate supervisor, or in the case of Council, the CAO, as well as advising the Purchasing Supervisor.

5. RESPONSIBILITIES OF PURCHASING SUPERVISOR/TREASURER:

The Purchasing Supervisor, under the direction of the City Treasurer, is responsible for the management, organization and administration of the purchasing function, including ensuring compliance with the purchasing policies and procedures. The Purchasing Supervisor shall have the authority to develop and maintain procedures to implement this policy. The Purchasing Supervisor is responsible for issuing Requests for Quotations, Requests for Proposals and Request for Tenders for all Goods and/or Services, etc., and for arranging the disposal of surplus goods.

6. DELEGATION OF RESPONSIBILITIES:

The Chief Administrative Officer of the City and/or the City Treasurer may designate a person to act in their place in the event that they are unavailable to perform their duties under this Purchasing Policy.

7. EXCEPTIONS:

In exceptional circumstances, this Purchasing Policy may be overridden by Council in the event that Council determines it is appropriate and in the best interest of the City to do so.

8. EXEMPTIONS:

1. Competitive Bid solicitation is not required for items set out in Appendix "A" - Purchasing Policies Exemptions. However, Items 17. Insurance and 18. WSIB will apply to these exemptions, if applicable.

9. BLANKET PURCHASE ORDERS:

1. A Blanket Purchase Order is a term Contract or Agreement between the City and a Supplier and must be initiated in compliance with the Purchasing Policy and awarded as per Appendix "C" – Levels of Approval Authority.
2. Staff are required to determine if a Blanket Purchase Order is available for any supply or service they require prior to making the Purchase.
3. A Blanket Purchase Order is issued to a Supplier to address recurring Purchases of Goods and/or Services for a specific period where the exact quantity or required dates may not be precisely known.
4. The value of the Blanket Purchase Order will be estimated based on previous usage and forecasted quantities.

5. A Blanket Purchase Order may only be issued for a period which does not extend beyond the calendar year. For multi-year Contracts a new PO shall be issued for each calendar year of the term.
6. More than one Supplier may be selected where it is in the City's best interest and the Bid solicitation process allows for more than one Supplier.

10. PURCHASING PROCEDURES:

- a. The Purchasing Supervisor shall have the authority to develop and maintain procedures to implement to this policy.
- b. The purchasing procedures shall be approved by the Treasurer and used as direction to staff when purchasing goods, services or construction in compliance with this policy.

11. LOW VALUE PURCHASE (LVP):

Where the Total Cost **does not exceed \$10,000** for the Purchase of Goods and/or Services and construction, the Purchase must be approved by the Department Head using one of the following methods and in accordance with the policies and procedures associated with each and in accordance with the Purchasing By-law, Appendix "C" – Levels of Approval Authority and Purchasing Procedures. **Note: If applicable, City staff must obtain and retain evidence of WSIB & Insurance prior to allowing work to commence on City property.**

a) **Petty Cash**

The maximum petty cash dollar reimbursement for Purchases of Goods and/or Services and construction is **up to the amount of \$50** and in compliance with the City's Petty Cash Policy & Procedures.

b) **Purchase Orders**

Where the Total Cost is **greater than \$50 but does not exceed \$10,000** for the Purchase of Goods and/or Services and construction, the Department Head may authorize such Purchase by the issuance of a Purchase Order.

c) **Corporate Purchasing Cards**

Where the Total Cost **does not exceed \$5,000** for the Purchase of Goods and/or Services and construction, the Purchase may also be completed using a Purchasing Card in compliance with the Purchasing Card Procedures. All Purchasing Cards are issued through and with the concurrence of the Purchasing Supervisor, Finance Department and approved by the Treasurer and the Cardholder's Department Head. A Purchasing Card may be revoked at any time, for any reason, by the Treasurer, Purchasing Cardholder's Department Head or the Purchasing Supervisor.

12. INVITATIONAL REQUEST FOR QUOTATION (INFORMAL):

- a) Informal Request for Quotation procedures will be used for Purchases **\$10,000, but less than \$100,000**.
- b) The Department Head shall prepare the scope of work/ specifications and request a minimum of three (3) qualified suppliers to submit a written quote.
- c) Invitational written quotations must be obtained by the Department Head and attached to the Purchase Order. If three written quotes are not obtained, a written explanation shall accompany the Purchase Order as to why three Quotations were not obtained.
- d) Purchases will be authorized according to the Approval Process outlined in Appendix C- Levels of Approval Authority.
- e) **Execution and custody of documents:** When the solicitation process does not go through Purchasing Services, the Department Head is responsible for obtaining and maintaining the following documents, including any renewals (if applicable):
 - A copy of the required current Certificate of Insurance from the Vendor;
 - A copy of the Vendors current WSIB Certificate of Clearance;
 - A copy of the City's Health & Safety Declaration Form signed by the Vendor;

Periodic reviews to ensure compliance may be performed by Purchasing Services and all compliance issues will be reported to the City Treasurer.

13. PREQUALIFICATION (RFPQ):

Request for pre-qualification is a procurement process used to pre-qualify Vendors for subsequent participation in the competitive Bid process. Responses are evaluated against selection criteria, qualitative and technical, set out in the solicitation document, and a list of prequalified Bidders is generated. The information collected in this process may be used to "short List" potential Bidders where the timeframe is tight or in the best judgement of the Department Head or their Designate and the Purchasing Supervisor or their Designate deems it in the best interest of the City to do so.

The Department head or their Designate has designated authority to select a minimum of three (3) Vendors from this list for invitation in a competitive Bid process. When in the opinion of the Department Head or their Designate there are less than three (3) qualified Vendors, a report will be written detailing the circumstances of that decision and less than three (3) Vendors may be contacted with the approval of Chief Administrative Officer.

Vendors not participating in the pre-qualification process will be ineligible to compete for Contracts to supply goods or services where a prequalification has been performed.

14. REQUEST FOR TENDER (RFT):

Request for Tender procedures shall be used where Purchases are **\$100,000 and greater** and shall be used as set out below and dealt with as follows:

- (a) Where the process is based on precisely defined requirements for which a clear or single solution is assumed to exist, then the Department Head shall prepare the specifications and requirements for Tenders and forward same to the Purchasing Supervisor for review and approval.

- (b) The Purchasing Supervisor advertises and makes available a Request for Tender on the City's Bidding System Website. Additional means of advertisement may be employed from time to time as deemed appropriate by the Purchasing Supervisor.
- (c) The Purchasing Supervisor shall receive the Bids until the deadline specified in the Bid Document.
- (d) The City may elect to receive Bids electronically and the procurement process will be stated in the Bid Document.
- (e) The Department Head of the relevant Department or their Designate shall evaluate all Bids submitted.
- (f) A report will be prepared with a recommendation for Award and retained on file in the user Department and a copy be forwarded to Purchasing Services. The approval process will be in accordance with Appendix C.
- (g) Prior to the issuance of a Purchase Order, the successful Vendor shall provide the Official Documents (if applicable) to Purchasing Services for approval, retention and the managing any renewals, if applicable.
- (h) After receipt and approval of the Official Documents Purchasing Services shall issue a Purchase Order to the successful Vendor.

Where the Total Cost of the Proposal exceeds the budgeted amount:

The Department Head shall prepare a report with recommendations for Council's consideration. Purchasing Services prepares the Preliminary Opening Summary, Contract/Agreement and/or Purchase Order and retains the Official Documentation.

15. REQUEST FOR PROPOSAL (RFP):

Request for Proposal procedures shall be used where purchases are \$100,000 and greater when:

- other factors will be considered in the selection of the Contract in addition to price;
 - where it is expected that negotiations with Bidders may be required with respect to any aspect of the requirements for the provision of Goods and/or Services;
 - where a unique proposal or solution designed to meet broad outcomes to a complex problem or need is required;
 - where there is no clear or single solution.
- (a) The Department Head shall prepare specifications and criteria as noted below and forward same to the Purchasing Supervisor for review and approval.
 - (b) The Purchasing Supervisor advertises and makes available a Request for Proposal on the City's Bidding System Website. Additional means of advertisement may be employed from time to time as deemed appropriate by the Purchasing Supervisor.
 - (d) The Purchasing Supervisor shall receive the Proposal Submissions until the date and time specified in the proposal document. Proposal Submissions will be opened by the Purchasing Supervisor or a Designate on the following work day or as soon thereafter as possible.

- (e) A report will be prepared with a recommendation for Award and retained on file in the user Department and a copy be forwarded to Purchasing Services. The report shall contain detailed evaluation notes by each team member and scoring for each Proponent in accordance with the criteria in the original Bid Document. The approval process will be in accordance with Appendix C.
- (f) Prior to the issuance of the Purchase Order, the successful Vendor shall provide the Official Documents (if applicable) to Purchasing Services for approval, retention and the managing any renewals, if applicable.
- (g) After receipt and approval of the Official Documents Purchasing Services shall issue a Purchase Order to the successful Vendor.

Where the Total Cost of the Proposal exceeds the budgeted amount:

The Department Head of the relevant department or their Designate shall evaluate all Proposals submitted in accordance with the evaluation criteria in the Bid Document and prepare a report with recommendations for Council's consideration. Purchasing Services prepares the Purchase Order and retains the Official Documents, if applicable.

A Request for Proposal should include the following:

- A work statement or performance specification;
- Time frames in which the work is to be completed;
- Specific criteria (including mandatory criteria and technical standards) and weighting factors to be used in evaluating the Proposal;

A Two (2)-envelope approach may be utilized with RFP's. In the two (2) envelope approach, step one (1) consists of a request for qualitative and/or technical information, without the pricing requirement, and step two (2) consists of reviewing sealed proposal prices from only those Proponents whose technical and/or qualitative requirements have been rated most acceptable, i.e., achieved a set threshold score on step one (1).

Evaluation Committee:

In some instances, an Evaluation Committee will be established by the Department Head to review the Proposals.

Debriefings:

Debriefing request(s) shall be forward to both the Department Head and Purchasing Services for a response in writing by Purchasing Services and in accordance with Section 24 - Dispute Resolution and Debriefing.

16. INSURANCE:

Each time a Vendor is hired to do work for the City regardless of the value, evidence of insurance coverage satisfactory to the City must be obtained from the Bidder's insurance agent or broker by the Bidder and provided to the City before any work commences. Such insurance must include the City as Additional Insured or Additional Named Insured depending on the contract and indemnify the City from any and all claims, demands, losses, costs or damages resulting from the performance of a Supplier's obligations under the Contract.

The appropriate insurance coverage and value shall be determined by Purchasing Services in consultation with the User Department ensuring an adequate level of protection to the City.

The type and value of the insurance coverage will be relevant to the Goods and/or Services being purchased and be in accordance with the City's Purchasing Procedures.

All Bid Documents should indicate the insurance requirements to be provided by the successful Bidder, if applicable.

Prior to execution of a Contract and before any work commences, or in the case of a direct hire through the User Department and before commencement of work, the Vendor must supply a certificate of insurance confirming the required coverages in a form satisfactory to the City and a signed copy of the City's Health & Safety Declaration Form.

The successful Vendor is required to keep the insurance coverage in full force throughout the course of the work (including the warranty period) or executed Contract and the insurance policy must provide that the insurance policy will not lapse or change without the insurer providing thirty days' notice to the Purchasing Services, or if applicable, the User Department. The Vendor must provide the City with an up to date Certificate of Insurance upon request.

17. HEALTH & SAFETY/ WSIB:

Contractors providing Goods and/or Services to the City must comply with and be held accountable for meeting the requirements of the Occupational Health and Safety Act and the City's Health & Safety Policy.

Each time a Contractor is hired to complete work for the City, regardless of the dollar value of the work, the Contractor must supply the City with a valid WSIB Certificate of Clearance prior to any work commencing and throughout the term of the Contract.

18. STANDARD DOCUMENTATION:

As a risk mitigation strategy, standard formats and language, with the exception of specifications, have been developed and continue to be monitored and changed in the Bid Document templates available from and controlled by Purchasing Services and based upon feedback from User Departments, case law decisions, legal review, best practices, and any other criteria the City determines.

In the situations where the City determines that it is more appropriate for Bid Documents to be prepared by a third party, it is the responsibility of the User Department to ensure that the third party receives a copy of this policy and the Purchasing Procedures and the City's standard language or templates and incorporates all necessary information in the Bid Documents.

19. PURCHASE ORDER AMENDMENTS AND REVISIONS:

- (a) No amendment or revision to a Purchase Order shall be made unless the amendment is in the best interest of the City.
- (b) No amendments to the price and/or scope of a Purchase Order where the Total Cost of the Purchase of Goods and/or Services exceeds \$100,000 shall be agreed to without a corresponding authorized PO Amendment Form as prescribed by Purchasing Services.

- (c) Amendments to the price and/or scope of a Purchase Order are subject to the identification and availability of sufficient funds in appropriate accounts within a Council approved budget including any authorized revisions.
- (d) Amendments to the price and/or scope of a Purchase Order where the Total Cost of the Purchase of Goods and/or Services exceeds \$100,000, including any previous amendments, may be authorized by issuance and approval of a PO Amendment Form and within the approval levels designated below;

DEPARTMENT HEAD & TREASURER APPROVAL REQUIRED	Where the total PO amendments (including any previous amendments) does not exceed 10% of the original PO amount.
DEPARTMENT HEAD, TREASURER & CAO APPROVAL REQUIRED	Where the total PO amendments (including any previous amendments) exceed 10% of the original PO amount.
DEPARTMENT HEAD, TREASURER & CAO WITH A REPORT TO FINANCE COMMITTEE	Where the total PO amendments (including any previous amendments) exceed 20% of the original PO amount a report shall be submitted by the Director of Finance quarterly justifying the amendment.

20. OTHER TYPES OF PROCESSES:

As a preliminary step to other competitive bidding processes, including Request for Tenders, Quotations and Proposals, the following may be utilized:

- (a) **A Request for EOI:** This is a request to potential Vendors to determine Vendor interest in any proposed Purchase. It may also be issued together with a request for qualifications where the proposed Purchase is well defined and the types of qualifications are reasonably well known.
- (b) **A Request for Information (RFI):** This is to be used in determining what products and services are available to scope out business or other requirements and/or estimate project costs prior to commencement of a competitive Bid process.
- (c) **Extension of a Previous Purchase (not using a competitive Bid process):**
In the event that the Purchase is a direct extension of a previous Purchase which was purchased using a competitive Bid process and the previous Supplier will be considered appropriate as a single or sole source of procurement due to the particular nature of the extension, then the Department Head, in consultation with the City Treasurer and the Purchasing Supervisor may declare a competitive process is not required and they may proceed under a single source project. Approvals will follow the approval process in Appendix C.
- (d) **Co-operative Purchasing/VOR arrangements:**
Where the City is purchasing, together with other municipalities or other public authorities or governmental agencies.

Cooperative purchasing arrangements may be used where it is deemed beneficial to the City. In order to utilize the cooperative purchasing arrangements, the terms and conditions must adhere and comply with all the proper requirements of the City's purchasing policy stated herein. The City will not be required to solicit independent price quotations when utilizing cooperative purchasing. Approvals will follow the approval process outlined in Appendix C.

21. GUARANTEES OF CONTRACT EXECUTION AND PERFORMANCE:

- (a) The Department Head or their Designate and Purchasing Supervisor may require that a Bid be accompanied by a Bid Deposit to guarantee entry into a Contract.
- (b) In addition to the requirement of "Official Documents", the successful Bidder may be required to provide:
 - (i) a Performance Bond to guarantee the faithful performance of the Contract normally in the amount of 50% or 100% of the Contract price,
 - (ii) a Labour and Material Bond to guarantee the payment for labour and materials to be supplied in connection with the contract normally in the amount of 50% of the Contract price;
 - (iii) All construction projects as defined by the Construction Act, as amended, require mandatory Surety Bonds as prescribed in the Construction Act and regulations.

22. EXCLUDED BIDDERS/OTHER FACTORS:

- (a) The City may, in its sole and absolute discretion, reject any Bid if the Bidder or any affiliated or associated person, firm or corporation (as defined under the Business Corporations Act (Ontario), including any officer, director or shareholder, is or has been engaged either directly or indirectly in any legal action against the City, its elected or appointed officers or employees in relation to any other Contract or service or any matter arising from the City exercising its powers, duties and functions.
- (b) The City is entitled to include in its evaluation criteria any past experience that the City has had with the Bidder (including performance records) or any related or affiliated organizations have had with the Bidder, whether favourable or unfavourable, including specifically any Contracts, Contract disputes, litigation, or other experience or dealings whatsoever including the reputation that the Bidder may have with any such entities.
- (c) The City may, in its sole and absolute discretion, reject any bid if the bidder or any affiliated or associated person, firm, or corporation (as defined in the Business Corporation Act (Ontario)) including any officer, director, or shareholder has been engaged either directly or indirectly in any legal action against any other municipality or has had an unfavourable review or experience with any other municipality for similar projects or services or work.

23. DISCLOSURE OF INFORMATION:

Any information supplied in any Bid or Proposal which has been specifically designated to be, or is intended to be, and the City is aware is intended to be treated as confidential, shall be treated as confidential information subject, however, to the City's obligations to disclose such information, if required, in accordance with MFIPPA. All requirements under this section are subject to the rights and obligations under MFIPPA. At the opening of any Tenders, the only information which shall be disclosed is the identity of the Bidders and the price submitted, but no further information shall be disclosed unless the City elects to do so at its option. Pertaining to a Request for Proposal, after closing and before the official Award, the only information which shall be disclosed

is a list of the identity of the Bidders in alphabetical order. After the Award, only the price (and the report to Council, if applicable) of the awarded Bidder will be disclosed.

24. DISPUTE RESOLUTION AND DEBRIEFING:

Wherein the spirit of this policy is to promote a sense of fairness and transparency, in the event of possible dissatisfaction or request for a Bid debriefing, the following process will be followed:

- a) The City reserves the right to debrief (or to not debrief) both the successful and unsuccessful Bidders.
- b) The Bidders will be required to submit a request in writing by email to the Purchasing Supervisor no later than ten (10) calendar days following the date of the issuing of the Award notification. The notice must clearly state the Contract details and the nature of the perceived problem or a request for a debriefing. Any request that is not received within the ten (10) calendar day time limit may not be acknowledged nor answered.
- c) The Purchasing Supervisor shall respond to same in writing by email, and attempt to provide the information requested, subject, however, to the City's obligations to disclose such information, if required, in accordance with the MFIPPA. The City will not disclose Submission information from the other Bidders, unless required to do so based on MFIPPA or legal advice.
- d) The intent of the debriefing information session is to aid the Bidder in presenting a better Submission in subsequent procurement opportunities. Any debriefing information provided is not for the purpose of providing an opportunity to challenge the procurement process.

25. GREEN POLICY:

The City will endeavor to preserve and green the City's environment while maintaining economic, social, cultural and community health. The City is dedicated to meeting the needs of the community today while ensuring a desirable future for future generations.

26. LOCAL PREFERENCES:

The *Discriminatory Business Practices Act of Ontario* prohibits discriminatory business practices based on, but not limited to, the geographical location of the persons employed in or engaging in business. The City adheres to the provisions of the *Discriminatory Business Practices Act* and therefore does not award Contracts based solely on local preference, nor does it include a local preference as an evaluation criteria. Not only is it against the law, it is not good business practice, since it limits fair and open competition for all Vendors and is therefore a detriment to obtaining the best possible value for each tax dollar. There may be instances where location and distance is a legitimate factor, for example, the location of a service depot for warranty or repair service and its proximity to the City is a factor for scoring or awarding a Contract. Where there is a legitimate reason to do so, this shall not constitute local preference.

27. PROHIBITED ACTIONS:

- a) Divisions of a Contract and/or Purchase Order – No employee of the City shall divide a Purchase, Contract or PO Amendment or change order to avoid the requirements of the Tender, Proposal, Quotation or a Low Value Purchase as noted herein. Nor shall the Purchases be split in order to circumvent prescribed spending authority dollar limits as outlined in this policy.

- b) Asking a Supplier to alter the invoice date or shipping date from what would otherwise be shown to accommodate City accounting needs.
- c) Creating a Purchase Order after the goods, service or construction has been received.
- d) Submitting an invoice to accounts payable without a Purchase Order number (excluding Purchasing Policy Exemptions - Appendix A).
- e) Hiring a Supplier to do work for the City regardless of the value, without first obtaining a valid Certificate of Insurance, a signed Health & Safety Declaration and WSIB Certificate of clearance

Periodic reviews to ensure compliance may be performed and all compliance issues will be reported to the City Treasurer.

28. DISPOSAL OF SURPLUS GOODS:

The Purchasing Supervisor shall coordinate the disposal of all surplus goods. Items deemed surplus to the City shall be disposed of by first offering them to other Departments, and if not required by any City Department, it shall be disposed of in the most suitable manner that will take into consideration the type of material being disposed of and the cost-benefit to the City. Where the goods to be disposed are deemed to be of significant value, such as the case with vehicles, they shall be disposed of by means of Public Auction.

29. ACCESSIBILITY FOR ONTARIANS DISABILITIES ACT, 2005:

Pursuant to the Accessibility of Ontarians with Disabilities Act, 2005, City Council has adopted a plan that focuses on accessibility issues and the development of strategic actions to remove (where possible) and prevent barriers to access for people with disabilities. All competitive Bids will incorporate measures to ensure that customer service is available to everyone, including persons with disabilities.

30. NON-COMPETITIVE PURCHASES (SOLE SOURCE, SINGLE SOURCE, EMERGENCY):

It is recognized that exemptions from a competitive process may have special circumstances which may require the non-competitive procurement process.

30.1 - Sole Sourcing:

The procurement may be conducted using a Sole Sourcing process if the Goods and/or Services are available from only one Supplier by reason of:

- a) Statutory or market-based monopoly;
- b) Competition is precluded due to the application of any act or legislation or because of the existence of patent rights, copyrights, license, technical secrets or controls of raw material; or
- c) The complete item, service, or system is unique to one Supplier and no alternative or substitute exists.
- d) For work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;

30.2 - Single Sourcing:

Single source means that there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specifications.

The procurement may be conducted using a Single Sourcing process if the Goods and/or Services are available from more than one source but there are valid and sufficient reasons for selecting one Supplier in particular, as follows:

- a) An attempt to acquire the required Goods and/or Services by soliciting competitive Bids has been made in good faith, but has failed to identify any, willing and compliant, competitive Suppliers;
- b) For additional deliveries by the original Supplier of goods or services that were not included in the initial procurement if a change of Supplier for such additional goods or services: (a) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and (b) would cause significant inconvenience or substantial duplication of costs for the procuring entity;
- c) For Purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, auction, receivership or bankruptcy, but not for routine Purchases from regular Suppliers;
- d) Where it is advantageous to the City to acquire supplies (new or used) that are offered for sale by tender, or auction;
- e) Another organization is funding or substantially funding the acquisition and has determined the Supplier, and the terms and conditions of the commitment into which the City will enter are acceptable to the City;
- f) If strictly necessary, and for reasons of urgency brought about by events unforeseeable by the City, the goods or services could not be obtained in time using open tendering.

30.3 - Sole and Single Sourcing – Approval and Reporting

Awards which qualify to be considered as a Single Source or Sole Sourcing process require the following approval:

- For Purchases where the Total Cost **is less than \$100,000**, the Department Head in consultation with the City Treasurer and the Purchasing Supervisor may declare a competitive process is not required and a written report indicating this compelling rationale that warrants a non-competitive selection will be attached to the Purchase order.
- For Purchases where the Total Cost **is equal to or greater than \$100,000** a written report indicating the compelling rationale that warrants a non-competitive selection will be submitted by the Department to Council for approval prior to selection. Purchasing Services shall prepare the Purchase Order and retain and manage the official documentation, including any renewals, if applicable.

30.4. - Emergency Purchases:

For the purposes of this section, “Emergency” means an event or occurrence that the Department Head deems an immediate threat to:

- Public Health;
- The maintenance of essential City service; or
- The welfare and protection of persons, property, or the environment; and the event or occurrence necessitates the immediate need for Goods and/or Services to mitigate the emergency and time does not permit for a competitive procurement process.

A list of pre-qualified Suppliers will be used to select the Suppliers, whenever possible.

Emergency Purchases approval and reporting:

- Where the Total Cost of the Purchase is less than **\$50,000**, the Department Head may authorize the Purchase. The Department Head prepares the PO, retains and manages the Official Documents, including any renewals, if applicable.
- Where the Total Cost of the Purchase is greater than **\$50,000**, the Chief Administrative Officer may authorize the Purchase, and a report shall be submitted by the CAO quarterly to the Finance Committee setting out details of any Purchases made pursuant to this authority and the circumstances justifying the action taken. Purchasing Services shall prepare the Purchase Order, and retain and manage the official documentation, including any renewals, if applicable.

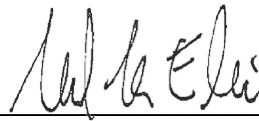
THAT By-Law Number 2021-99 and all other By-laws or parts thereof inconsistent with this By-law are hereby rescinded.

THIS BY-LAW SHALL COME INTO FORCE AND TAKE EFFECT IMMEDIATELY ON AND AFTER PASSING THEREOF.


Read a first time this **10th** day of **October, 2023**.

Read a second time this **10th** day of **October, 2023**.

Read a third time and finally passed this **10th** day of **October, 2023**.



NEIL ELLIS, MAYOR



MATT MACDONALD, CITY CLERK



THE CORPORATION OF THE CITY OF BELLEVILLE

BY-LAW NUMBER 2023-183

APPENDIX "A" - PURCHASING POLICY EXEMPTIONS

APPENDIX "B" – BID IRREGULARITIES

APPENDIX "C" – LEVELS OF APPROVAL AUTHORITY

APPENDIX "A" - PURCHASING POLICY EXEMPTIONS

The purpose of this section is to set out the circumstances under which a Bid Solicitation process is not required.

1. Training and Education

- (a) Conferences
- (b) Courses
- (c) Conventions
- (d) Magazines
- (e) Periodicals
- (f) Memberships
- (g) Seminars
- (h) Subscriptions
- (i) Staff Development and Workshops

2. Refundable Employee

- (a) Advances
- (b) Meal Allowances
- (c) Miscellaneous — Non-Travel
- (d) Travel Expenses
- (e) Travel Allowances

3. Employer's General Expenses

- (a) Payroll Deduction Remittance
- (b) Workers Safety Insurance Board payments
- (c) Medical
- (d) Licenses (vehicles, etc.)
- (e) Debt Payments
- (f) Grants to Agencies
- (g) Damage claims
- (h) Legal settlements
- (i) Arbitration awards
- (j) Tax Remittances
- (k) Charges to and from other government bodies

4. Professional and Special Services

- (a) Committee Fees
- (b) Honorariums
- (c) Medical Professional Services

- (d) Temporary Help
- (e) Rail Crossing Maintenance provided by CN or CP
- (f) Purchases from other levels of Government
- (g) The purchase of Real Property
- (h) Financial assistance
- (i) Legal and Insurance Fees
- (j) Any additional exceptions, expressly permitted in any applicable Trade Agreements, as amended.
- (k) Employee: Group Benefits, Compensation, Programs, Relations, Recruitment, Consulting and Reviews.
- (l) Labour Relations Services

5. Utilities

- (a) Postage
- (b) Water, Wastewater
- (c) Hydro
- (d) Gas
- (e) Telephone
- (f) Cable Television

APPENDIX “B” BID IRREGULARITIES - APPLICABLE TO ELECTRONIC BIDDING

<u>Irregularity</u>	<u>Response</u>
<ul style="list-style-type: none"> Late Bids 	<ul style="list-style-type: none"> Automatic rejection. Electronic Bidding System shall not accept late Bid Submissions.
<ul style="list-style-type: none"> Qualified Bids (Bids qualified or restricted by an attached or added statement) 	<ul style="list-style-type: none"> Automatic rejection, unless specified and allowed for in the Request for Tender or Request for Proposal.
<ul style="list-style-type: none"> Bids received on documents other than those provided in the Bid Document. 	<ul style="list-style-type: none"> Automatic rejection
<ul style="list-style-type: none"> Bid Form not signed 	<ul style="list-style-type: none"> Automatic rejection. The Electronic Bidding System shall not accept Bids unless the Bidder has checked a box confirming authority to submit a Bid on behalf of the Bidder.
<ul style="list-style-type: none"> Agreement to Bond <ul style="list-style-type: none"> a) signature of Bidder and/or bonding company missing b) not in the form specified c) not provided. 	<ul style="list-style-type: none"> Automatic rejection Automatic rejection Automatic Rejection
<ul style="list-style-type: none"> Bid Deposit <ul style="list-style-type: none"> a) Not provided or not in form specified b) Bid Deposit of insufficient amount c) Signature of Bidder and/or bonding company missing when Bid Bond submitted 	<ul style="list-style-type: none"> Automatic rejection Automatic rejection Automatic rejection
<ul style="list-style-type: none"> The City is unable to verify Digital Bond(s). 	<ul style="list-style-type: none"> Upon request by the City, the Bidder shall be given reasonable time to either; remedy the verification to the City’s satisfaction or to submit the original Bid Deposit to the City or the Bid shall be rejected.
<ul style="list-style-type: none"> All Addendum(s) not signed (if issued) and submitted with Bid Submission 	<ul style="list-style-type: none"> Optional rejection by the City, unless otherwise specified in the Bid document.
<ul style="list-style-type: none"> Incomplete Bids (all items not Bid) 	<ul style="list-style-type: none"> Automatic rejection, unless allowed for in the Bid document.

<ul style="list-style-type: none"> Bids containing minor clerical errors 	<ul style="list-style-type: none"> Bidders may be allowed a reasonable time to correct and initial errors. The City reserves the right to waive initialling and accept the Bid or reject the Bid. The City shall determine what is “minor” in its sole discretion or reject the Bid.
<ul style="list-style-type: none"> Un-initialled changes to the Bid documents which are minor (e.g. Bidder’s address is amended by over-writing but not initialled) 	<ul style="list-style-type: none"> Bidders may be allowed a reasonable time to correct. The City reserves the right to waive initialling and accept Bid or reject the Bid.
<ul style="list-style-type: none"> Other mathematical errors which are not consistent with unit prices 	<ul style="list-style-type: none"> Unit prices shall govern and the Bid will be corrected accordingly. The City reserves the right, in its sole and absolute discretion, to correct the mathematical error(s) and accept Bid as corrected or reject the Bid.
<ul style="list-style-type: none"> Failure to return the documents as specified 	<ul style="list-style-type: none"> Where complete documents are specified in the Bid Document, automatic rejection
<ul style="list-style-type: none"> Isolated pages are missing 	<ul style="list-style-type: none"> Where the missing pages would not otherwise be associated with any other Bid Irregularity identified, the Bidder may be allowed a reasonable time to supply the missing pages where in the opinion of the City, the missing page(s) would not directly affect the bid submitted. The City reserves the right to waive the extra pages and accept the Bid, or to reject the Bid outright.
<ul style="list-style-type: none"> Withdrawal of Bids 	<ul style="list-style-type: none"> Withdrawal of Bids after the closing time will not be allowed.
<ul style="list-style-type: none"> Tie Bids 	<ul style="list-style-type: none"> The “designated official” shall use a draw to select a recommended Bid as the method of dealing with tied Bids.

APPENDIX “C” - LEVELS OF APPROVAL AUTHORITY

“Total Cost” or “Total Dollar Value” means the sum of all costs for the initial procurement contract, excluding optional extension periods and any non-refundable taxes.

Total Dollar Value	Tool/Procurement Process	Approval Authority	Policy Section
Low Value Purchase (LVP) - Equal to or less than \$10,000.	Purchasing Card (up to \$5,000) Petty Cash (up to \$50) Purchase Order (\$50 to \$10,000)	Department Head	11
\$10,000 but less than \$50,000.	RFQ Invitational (Informal) – three (3) written quotes by Department & retained on file Official Doc’s – Department PO issued by Purchasing Services	Department Head	12
\$50,000 but less than \$100,000.		Department Head and Purchasing Supervisor	12
Equal to or greater than \$100,000.	RFP RFT Competitive process through Purchasing Services Formal Contract PO issued by Purchasing Services Official Doc’s – Purchasing Services	Treasurer Approval for all contracts within budget. Awarded purchases of \$100,000 or more shall be provided to Council for notification on a monthly basis. Council Approval for all contracts/ submissions received over budget.	14 15
Cooperative Procurement			
Equal to or less than \$50,000.	PO issued by Department Official Doc’s - Department	Department Head	21
Equal to or greater than \$50,000.	PO issued Purchasing Services Official Doc’s – Purchasing Services	Department Head, Purchasing Supervisor and Treasurer for all contracts within budget. Awarded purchases of \$100,000 or more shall be provided to Council for notification on a monthly basis. Council Approval for all contracts over budget.	21
Emergency Purchases			
Less than \$50,000.	Emergency Purchase PO issued by Department Official Doc’s - Department	Department Head	30.4
Equal to or greater than \$50,000.	Emergency Purchase PO issued Purchasing Services Official Doc’s – Purchasing Services	CAO authorizes, quarterly report to the Finance Committee	30.4
Sole Sourcing or Single Sourcing			
Less than \$50,000.	Sole Sourcing or Single Sourcing PO issued by the Department Official Doc’s - Department	Department Head, City Treasurer & Purchasing Supervisor with report attached to PO.	30.2 30.3

\$50,000 but less than \$100,000	Sole Sourcing or Single Sourcing PO issued by Purchasing Services Official Doc's - Department	Department Head, City Treasurer & Purchasing Supervisor with report attached to PO.	30.2 30.3
Equal to or Greater than \$100,000.	Sole Sourcing or Single Sourcing Formal Contract and/or PO issued by Purchasing Services Official doc's – Purchasing Services	Council approval with a written report indicating rationale	30.2 30.3
PO Amendments – where the Total Cost of the PO exceeds \$100,000 (including previous amendments)			
Where the total PO amendments (including any previous amendments) does not exceed 10% of the original PO amount.	Authorized PO Amendment Form and subject to availability of sufficient funds in appropriate account and budget	Department Head and Treasurer approval required on form	19
Where the total PO amendments (including any previous amendments) is greater than 10% and does not exceed 20% of the original PO amount	Authorized PO Amendment Form and subject to availability of sufficient funds in appropriate account and budget	Department Head, Treasurer & CAO approval required on form	19
Where the total PO amendments (including any previous amendments) exceed 20% of the original PO amount.)	Authorized PO Amendment Form and subject to availability of sufficient funds in appropriate account and budget	Department Head, Treasurer & CAO approval required with a quarterly report to the Finance Committee.	19
Note: All work performed on City of Belleville property requires evidence of WSIB & Liability Insurance			16 & 17