



Request for Proposal

Admin 2017-07

Building Division Rates and Fees Study

Closing Date: November 22, 2017 at 12:00 noon

Request for Proposal

Admin 2017-07

Building Division Rates and Fees Study

The Town of South Bruce Peninsula is requesting bids from qualified professionals to perform a rates and fees study for the Town Building Division.

Proposal documents are available by contacting the undersigned or by visiting the Town website www.southbrucepeninsula.com

Proposals in sealed envelopes, clearly marked Admin 2017-07 Building Division Rates and Fees Study will be accepted by the undersigned until 12:00 noon local time on November 22, 2017. Proposals will follow the two-envelope method; respondents will understand and comply with the Town Purchasing Policy.

The Town strives to abide by all provincial and federal law including the AIT Annex.

The Town of South Bruce Peninsula 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. Award of a contract in its entirety or in part shall be in accordance with Town requirements.

Angie Cathrae
Manager of Legislative Services/Clerk
Town of South Bruce Peninsula
PO Box 310, 315 George Street
Warton ON N0H 2T0
519-534-1400 ext 122
sbpen@bmts.com

Request for Proposal

Admin 2017-07

Building Division Rates and Fees Study

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Request for Proposal

Admin 2017-07

Building Division Rates and Fees Study

1. Intent

The Town of South Bruce Peninsula (hereinafter referred to as the Town) is seeking proposals from qualified professionals for completion of a rates and fees study for the Town Building Division

Section 16 and 17 of this document provides required services and minimum requirements to be included in Proposals.

2. Designated Official

For the purpose of this request for proposal, the Manager of Legislative Services/Clerk or designate, is the "Designated Official".

3. Communications, Discrepancies, Addenda

All communications relating to this request for proposal are to be directed to:

Angie Cathrae
Manager of Legislative Services/Clerk
Town of South Bruce Peninsula
PO Box 310, 315 George Street
Warton ON N0H 2T0
sbpen@bmts.com

If required, addenda will be issued. When issued, addenda will be posted on the Town website www.southbrucepeninsula.com. Respondents will be required to attach signed addenda with their proposal submission.

Should a Respondent find discrepancies, omissions from the request for proposal document(s) or is in doubt as to the meaning of the document(s), such Respondent should notify the Designated Official as soon as possible but no later than November 15, 2017 at 10:00 am. The Town will issue in writing any changes/additions/deletions. Any and all addendum/addenda issued prior to the closing date shall form part of the proposal submission document. The cost of complying with the addendum/addenda shall be included in the quoted price.

It shall be understood and acknowledged that while this request for proposal includes specific requirements and specifications, minor items or details not herein specified but obviously required for the provision of services shall be provided as if specified in conformance with modern practices. Any omission, errors or misinterpretation of these requirements and specifications within the document(s) shall not relieve the Respondent of the responsibility of providing the costs of such goods or services as aforesaid.

It is the responsibility of the Respondent to seek clarification of any matter that they consider unclear before submitting a proposal submission. The Town is not responsible for any misunderstanding of the Request for Proposal on the part of the Respondent.

No oral interpretations shall be made by the Designated Official as to the meaning of any of the request for proposal requirements or be effective to modify any of the provisions of the request for proposal document(s).

The Town will make no guarantee of answer to any question and it shall be hereby understood by all respondents that any response or non-response by the Town to any question or inquiry will not be constituted by any respondent as a denial of, barrier to or excuse for not submitting a proposal submission as outlined herein.

No representative of the municipality, its employees, agents or any other expert advisor associated with the request for proposal shall be contacted by the Respondent during the preparation of their proposal submission except as noted above. Any attempt to influence the evaluation and selection process may result in immediate disqualification of the Respondent. Any attempt to bypass the Town Purchasing Policy is grounds for rejection of the Respondent's proposal submission.

In participating in this request for proposal, the Respondent will not discuss or communicate, directly or indirectly, with any other Respondent or any servant, agent or representative thereof, respecting the preparation or presentation of their proposal submission. Each Respondent's proposal submission shall be submitted without any connection, knowledge, comparison of figures or arrangements with any other Respondent or servant, agent or representative thereof and each Respondent will be responsible to ensure that its participation in this process is conducted fairly and without collusion or fraud.

All proposal submissions should provide sufficient information to permit the Town to reach an accurate assessment of the quality of the submission.

The Town will evaluate the proposal submissions based upon a combination of criteria which is outlined in this document.

The Town is not liable for any cost associated with the preparation of the proposal submission or any other costs incurred by any Respondent prior to the execution of a contract.

In accordance with the Town Purchasing Policy, proposal submissions received after the deadline, however delivered and regardless of postal markings, will not be opened. Fax or electronic (e-mail) submissions will not be accepted. The onus is on the Respondent to ensure that the proposal submission is received in the proper location and before the closing time.

Please note that the information requested herein constitutes the **minimum** requirements for the provision of a rates and fees study for the Town Building Division. The Respondent may include further information as it pertains to how they will conduct the work.

The Town strives to abide by all provincial and federal law including the AIT Annex.

4. Proposal Submission

Respondents should submit their proposal submission (one hard copy per proponent) in a sealed outer envelope, clearly marked as follows:

Admin 2017-07 Building Division Rates and Fees Study RFP

**Angie Cathrae
Manager of Legislative Services/Clerk
Town of South Bruce Peninsula
PO Box 310, 315 George Street
Warton ON N0H 2T0**

Submissions are to be received no later than **12:00 noon on November 22, 2017.**

Respondents will submit their proposals using the two-envelope method and in accordance with the Town Purchasing Policy. The proposal and qualitative information will be submitted in one envelope and the pricing information will be included in the second envelope. The second envelope will only be opened and contents considered if the first envelope submission is evaluated and meets the requirements of the Request for Proposal.

Your signed "Statement by Bidder" form shall be taken as your statement that you understand the requirements and agree to comply with the requirements and any supplementary terms and conditions stated in the request for proposal document(s). Your signed "Statement by Bidder" form confirms that you have checked and confirmed your pricing and by signing the form, you agree that you have not omitted any items from your proposal submission and you will be bound by law to supply the services as specified at the prices proposed should you be the successful Respondent.

If a proposal submission is a joint submission of two (2) or more professionals or professional firms, one single proposal is to be coordinated and submitted by the lead with the required information. All contributing professionals or professional firms shall be noted in the proposal submission.

5. Withdrawal of Proposal Submission

Respondents may only withdraw their unopened proposal submission (prior to the closing time and date) provided the request to do so is received in writing by the Designated Official and is signed by an authorized agent of the Respondent. If more than one proposal submission has been received under the same name for the same project and no withdrawal notice has been received, the proposal submission contained in the envelope bearing the date and time stamp closest to the closing date shall be considered the intended proposal submission. All others shall be considered withdrawn.

6. Pricing and Taxes

- 6.1** Prices quoted shall be in Canadian funds, quoted separately for each item if stipulated.
- 6.2** Prices shall be quoted in such a manner that should the Respondent be successful in entering into a contract with the Town, the prices will be confirmed for the entire length of the contract.
- 6.3** The prices must include all incidental costs and the Respondent shall be deemed to be satisfied as to all of the full requirements of the Request for Proposal call.
- 6.4** All prices quoted shall include all charges of every kind attributable to the provision of services.
- 6.5** All applicable taxes will be considered to be included in the price submitted by the Respondent; HST shall be stated separately.
- 6.6** Any extra fees or charges not specified in the proposal submission will not be considered when making a contract award and subsequently will not be paid by the Town to any successful Respondent.

7. Approvals, Acceptance, Award

- 7.1** All proposal submissions as described herein are subject to the approval of the Town:

as required under the Purchasing Policy;

subject to the availability of funding/budget;

and

subject to the scoring/ranking as provided herein.

The proposal submission must be irrevocable and open for acceptance by the Town for a period of thirty (30) calendar days after the date and time set for submission of proposals. The Town may at any time within the above mentioned thirty (30) calendar day period accept a proposal submission, at their sole discretion.

- 7.2** Neither the issuance of this Request for Proposal document nor the receipt of any proposal submission shall constitute any obligation or imply any commitment on the part of the Town. Award of this Request for Proposal call shall be at the sole discretion of the Town. In the evaluation of proposal submissions, it is understood by the Respondent that the Town of South Bruce Peninsula 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. Award of a contract in its entirety or in part shall be in accordance with Town requirements.

8. Reserved Rights of the Town

The Town reserves the right, in its sole discretion, as follows:

- 8.1** To issue an award for the services in whole or in part.
- 8.2** To refrain from making an award if it determines that to be in its best interest, or not make an award to the highest scored compliant Respondent, or any Respondent, if it is determined by the Town that the costs of the services to be provided under the contract would exceed budgetary allotments.
- 8.3** To make public the names of any or all Respondents.
- 8.4** To reject a Respondent's proposal submission on the basis of:
- 8.4.1** a financial analysis determining the actual cost of the proposal submission when considering factors including but not limited to quantity, quality, service, price and other costs arising from the delivery of the required services;
 - 8.4.2** information provided by references and any interpretation of the information provided by references, at the sole discretion of the Town;
 - 8.4.3** the Respondent's past performance on previous contracts awarded by the Town;

- 8.4.4** the information provided by a Respondent pursuant to the Town exercising its clarification rights under this Request for Proposal process;
- 8.4.5** other relevant information, in the sole discretion of the Town, that arises during the Request for Proposal process.
- 8.5** To waive formalities and accept a proposal submission which substantially complies with the requirements of this Request for Proposal.
- 8.6** To check references other than those provided by a Respondent.
- 8.7** To disqualify any Respondent whose proposal submission contains misrepresentations or any other inaccurate or misleading information or any qualifications.
- 8.8** To disqualify any Respondent or the proposal submission of any Proponent who has engaged in conduct prohibited by this Request for Proposal call.
- 8.9** To make changes, including substantial changes, to this Request for Proposal provided that those changes are issued by way of addenda in the manner set out in this Request for Proposal call.
- 8.10** To cancel this Request for Proposal process at any stage.
- 8.11** To cancel this Request for Proposal process at any stage and issue a new Request for Proposal, Request for Quotation or Call for Tender Submission for the same or similar deliverables.
- 8.12** To accept any Proposal submission in whole or in part.
- 8.13** If a single Proposal submission is received, to reject the Proposal submission of the sole Respondent and cancel this Request for Proposal process or enter into direct negotiations with the sole Proponent.
- 8.14** To reject any or all Proposal submissions in its absolute discretion and despite any evaluation which may be undertaken of the Proposal submissions.
- 8.15** To reject any Proposal submission if the Respondent or any officer or director of the Respondent is or has been engaged, either directly or indirectly through another corporation, in a legal proceeding with the Town, its elected or appointed officers and employees.
- 8.16** These reserved rights are in addition to any other expressed rights or any other rights which may be implied in the circumstances. The Town shall not be liable for any expenses, costs or losses suffered by any Respondent or any third party

resulting from the Town exercising any of its expressed or implied rights under this Request for Proposal.

9. Conflict of Interest

If any Respondent has what is deemed to be a conflict of interest, said conflict shall be clearly identified. The Town shall determine whether the conflict is such that the Respondent is disqualified as a bidder.

10. Freedom of Information

All information supplied to the Town becomes the property of the Town and is subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act* (the Act). The name of each Proponent, along with the Proposal submission price (if the second envelope is considered) will be made public. Disclosure of any other information will be made in accordance with the Act. The Respondent must specifically identify any information in its Proposal submission that is submitted in confidence and must state the reason the information is considered to be confidential.

11. Indemnification

The Respondent, by participating in the Request for Proposal in any manner, will indemnify and save harmless the Town, its employees, agents, successors, and assigns, from and against all actions claims and demands whatsoever which may be brought against or made upon the Town and resulting from or arising out of the Respondent's participation in the Request for Proposal.

12. Claims and Costs

All costs and expenses incurred by the Respondent relating to the Proposal submission and any negotiations with the Town will be borne by the Respondent. The Town is not liable to pay such costs or expenses or reimburse or compensate Respondents under any circumstances, including the rejection of any or all Proposal submissions. The Town will not accept responsibility for any delays or costs associated with any review or the evaluation process. No Respondent shall have any claim for any compensation of any kind whatsoever as a result of participating in this Request for Proposal and by submitting a Proposal, the Respondent shall be deemed to have agreed that it has no claim. The Respondent understands that by making a Proposal submission, there is no implied or guaranteed contract under any circumstances. The Respondent hereby releases and waives any claims for damages, including any claims for damages for fundamental breach, relating to this Request for Proposal call.

13. Insurance

- 13.1 The Respondent shall understand that when the Town enters into a contract, insurance coverage shall be required.
- 13.2 Insurance coverage shall include coverage of premises and all operations liability to be performed by the Respondent, his/her employees, and/or agents. This insurance coverage shall be subject to limits of not less than two million dollars (\$2,000,000.00) inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof for any one occurrence.
- 13.3 The policy of insurance described above shall:
 - 13.3.1 include the Town and others, if required, as an additional insured;
 - 13.3.2 contain a cross-liability clause;
 - 13.3.3 contain a severability of interests clause endorsement;
 - 13.3.4 provide that if cancelled or changed in any manner, thirty (30) days prior written notice by mail or facsimile transmission must have been given by the insurer to the Town failing which such cancellation or change shall be void as against the Town; and
 - 13.3.5 be maintained in good standing without interruption during the entire period that services are provided under executed contract.
- 13.4 The successful Respondent must provide a copy of the insurance policy or policies to the Town prior to the execution of any contract.

14. Workplace Safety and Insurance Board

- 14.1 The successful Respondent will be required to submit to the Town a WSIB Clearance Certificate prior to execution of a contract.
- 14.2 If the successful Respondent is an independent operator, an Independent Operator Status letter must be submitted to the Town from WSIB prior to the execution of a contract.

15. Evaluation Criteria

The following criteria will be used for evaluating the Proposals. The Town reserves the right to shortlist firms for further evaluation. If the Town cannot make a decision based upon evaluation and requires interviews to be performed, a separate evaluation matrix will be established for the interview process, if required.

Item	First Envelope Evaluation Criteria (Proposal): Proposals will be based on meeting or exceeding the expectation of the established evaluation criteria and weighting.	Weight Factor
1	Experience Providing Rate and Fees Studies	6
2	Methodology of Study	5
3	References (including any not provided by Respondent but called by Town)	5
4	Timeline for Completion of Study	5
5	Town Involvement in Study Preparation	4
6	Adherence to RFP Requirements	3
	Total	28

Item	Second Envelope Evaluation Criteria (Price): Proposals will be based on meeting or exceeding the expectation of the established evaluation criteria and weighting.	Weight Factor
1	Total Cost	6
2	Cost for Extra Services – If Specified	5
	Total	11

Note: The weighting factor indicates the relative importance of each particular criteria starting at 1 for minimal influence and increasing in number for increased influence.

References will be contacted by the Town. Any unfavourable reference (in the sole discretion of the Town) will not necessarily disqualify any Respondent however any unfavourable reference may form the sole reason why any Respondent is not chosen to enter into a contact with the Town.

16. Required Services

- 16.1** The successful Respondent will undertake a comprehensive study of the rates and fees charged by the Town Building Division.
- 16.2** The successful Respondent will have thorough knowledge of the Building Code, Building Code Act and any related regulations thereto and will adhere to and advise on such legislation as it relates to the Building Division Rates and Fees Study and any requirements should the Town make changes to its rates and fees as a result of the study completion.
- 16.3** The successful Respondent will seek such information as is required to provide a comprehensive rates and fees study which will determine whether the Town should increase their rates and fees and if so determined, at what intervals and amounts.

- 16.4 The successful Respondent will consider all indirect costs of the provision of Building services including but not being limited to office space rental, office furniture rental, use of corporate resources including other staff, etc.
- 16.5 The successful Respondent will consider all direct costs including permit review, issuance, inspections, etc.
- 16.6 The successful Respondent will take into consideration the need for any capital purchases and formulate such purchases into a 10 (ten) year forecast. Such items to be considered include a vehicle.

17. Minimum Requirements in Proposal

Envelope One

- 17.1 The background of the Respondent indicating all rates and fees studies performed.
- 17.2 Any information the Respondent feels would be relevant to the Proposal.
- 17.3 Two references – municipal clients preferred.
- 17.4 Detailed timeline for completion of the study including anything which may alter the timeline for delivery of the services.
- 17.5 Explanation of assistance and information is expected from the Town in order for the successful Respondent to complete the rates and fee study.
- 17.6 Detailed methodology of services and how they will be provided.
- 17.7 Statement by Bidder form completed and included with Proposal submission.

Envelope Two

- 17.8 A detailed cost estimate for all services to be provided with HST being listed separately.
- 17.9 A cost for any other items which the Respondent feels would be required in the completion of the rates and fees study.

18. Accessibility Regulations

- 18.1 In accordance with the Accessibility for Ontarians with Disability Act (AODA), every provider of goods and services shall ensure that every person who deals with members of the public or participates in the developing of the service provider's

policies, practices and procedures governing the provision of goods and services to members of the public, shall be trained.

- 18.2** Contracted employees, third party employees, agents and others that provide customer service on behalf of the Town of South Bruce Peninsula must meet the requirements of the AODA with regard to training. A document describing the training policy, a summary of the contents of the training and details of training dates and attendees must be submitted to the Town of South Bruce Peninsula by the successful Respondent upon request.

19. Attachments to Request for Proposal

- 19.1** Statement by Bidder (to be completed by the Respondent and returned with the Proposal in envelope one).
- 19.2** Town of South Bruce Peninsula Purchasing Policy (for information for the Respondent).

20. Inclusion

- 20.1** All reference to masculine will also be understood to include the feminine and all reference to feminine will also be understood to include the masculine.
- 20.2** All references to singular shall also be understood to include the plural.

Statement by Bidder

Bid Document Name: _____

Bid Document Number (if applicable): _____

- 1. I/We have reviewed all terms and conditions of all forms included as part of this bid package.
- 2. I/We have read and understand all of the terms and conditions of the forms included as part of this bid package.
- 3. I/We understand that if our bid is successful, all requirements of the successful bidder as outlined in this bid document will be completed by the time and in the format required.

Dated at _____ this _____ day of _____ 2017.

Witness

Signature of Authorized Person

Name of Authorized Person

Position



Town of South Bruce Peninsula

Purchasing Policy

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1.Statement of Principle

The *Ontario Municipal Act* requires that every municipality have a policy with respect to its procurement of Goods and Services. This policy is intended to fulfill that requirement.

In acquiring Goods and Services, the Town of South Bruce Peninsula (Municipality) requires processes to ensure that operating departments will receive the Goods and Services they require in sufficient quality and quantity for their needs, which have been acquired with integrity, fairness, equality and transparency through efficient means that produce the lowest overall cost for the taxpayer.

2. Application of Policy

- a) All Municipal departments, elected Municipal officials, committees and boards of the Municipality shall acquire Goods and Services in accordance with this Policy and not otherwise.
- b) No person shall have the right to acquire Goods and Services or to otherwise bind the Municipality in respect of the acquisition of Goods and Services, except in accordance with this Policy.
- c) This Policy shall apply to the acquisition of all Goods and Services by the Municipality, except for the exemptions set forth in Schedule A.
- d) The rules in (c) above shall not apply where the supply of funds, approval of borrowing, or the provision of other financial assistance is mandated by statute.

3. Delegation

- a) Where authority is given to the Treasurer and Department Head pursuant to this policy, such authority may be delegated to subordinate staff on such terms as the Treasurer and Department Head shall consider reasonable in the circumstances. ([Appendix 2 – Purchasing Limit Designation](#))

4. Definitions

In this Policy,

“Administrator” means the Administrator of the Town of South Bruce Peninsula or Designate.

“Business Premise” means the business premise from which the Goods and Services shall be supplied.

“Clerk” means the Municipal Clerk of the Town of South Bruce Peninsula or Designate.

“Contract” includes the purchase of goods or services by, or on behalf of, the Municipality and the execution of written agreements and formal contracts as required.

“Council” means the municipal Council of the Town of South Bruce Peninsula.

“Department” - A Department shall be as listed in [Appendix 3– Department Listing](#).

“Department Head” means the organizationally appointed head of a specific department and shall include the Administrator.

“Designate” means the person or persons assigned the duties and responsibilities on behalf of, or in the absence, or incapacity of the person charged with the principal authority to take the relevant action or decision.

“Goods” includes but is not limited to goods, supplies, wares, merchandise, materials and equipment used or required by the Municipality.

“In-House Bid” means a process that allows for internal municipal departments to compete with external entities for the provision of Goods and Services.

“Mayor” means the Mayor of the Municipality or Designate.

“Municipality” means the Corporation of the Town of South Bruce Peninsula.

“Prequalification Process” means a solicitation process in which detailed written submissions describing attributes such as experience, financial strength, education or background, or other pertinent considerations are solicited in a Request for Prequalification.

“Proposal” means an offer to supply Goods and Services, acceptance of which may be subject to further negotiation.

“Responsible” means in respect of a bidder who is deemed to be fully technically and financially capable of supplying the Goods and Services requested in the solicitation.

“Responsive” means in respect of a bidder who correctly and completely responds to all of the significant requirements outlined in the solicitation.

“Request for Expressions of Interest” means a general market research tool to determine vendor interest in a proposed procurement and is not intended to result in the award of a contract.

“Request for Proposals” means a competitive procurement process for obtaining unique proposals designed to meet terms of reference.

“Request for Quotations” means a competitive procurement process for obtaining bids based on defined requirements for which a fixed or calculated price will be paid.

“Request for Tenders” means a competitive procurement process for obtaining defined requirements for which a clear or single solution exists.

“Services” may include, but are not limited to telephone, gas, water, hydro, janitorial and cleaning service, consultant services, legal surveys, medical services, insurance, training, and the rental, installation, inspection, repair or maintenance of equipment, machinery or other personal property.

“Single Sourcing” means the purchasing of Goods and Services from a particular vendor without solicitation of bids from other suppliers who can supply the same item.

“Sole Sourcing” means the purchasing of Goods and Services that are unique to a particular vendor and cannot be obtained from another source.

“Solicitation” means any and all forms of solicitation for Goods and Services by the Municipality, including but not limited to requests for tenders, quotations, proposals, prequalification, information and expressions of interest.

“Supplier” means any individual or organization providing goods or services to the Municipality including but not limited to contractors, consultants, vendors, service organizations etc.

“Treasurer” means the Treasurer of the Town of South Bruce Peninsula or Designate.

“Two-Envelope Method” means a procurement process in which a submission is submitted in two separate envelopes. The technical and qualitative information is submitted in the first envelope and the pricing information is provided in the second envelope which is only opened if the bidder is qualified by the first envelope.

“Variance” means the difference between the actual revenues and expenditures of a department and their levy allocation as approved in the annual budget.

“Vendor” means a seller or supplier of goods or services.

5. Purchasing Processes and Limits

- The Goods and Services listed in Schedule “A” are exempt from the purchasing process requirements of this Policy.
- The process applying to “Informal Quotations” is set out in Schedule “B”.
- The process applying to “Requests for Quotations” is set out in Schedule “C”.
- The process applying to “Tender” and “Requests for Proposals” is set out in Schedule “D”.

The following processes shall be applied for purchasing Goods and Services within the following monetary limits, except as otherwise provided for in this Policy:

Purchasing Processes and Limits		
Monetary Limits	Purchasing Processes	Comments
Up to \$200	Direct Purchase, OR Credit Card OR Petty Cash	At the Department Head’s Discretion
Up to \$5,000	Direct Purchase OR Informal Quotations	Used primarily for the purchase of low value goods. Department Head will attempt to obtain competitive prices.
\$5,001 and not more than \$15,000	Informal Quotations OR Request for Quotations	No public opening is required. Department Head and Treasurer to determine the best process for receiving competitive bids.
\$15,001 and not more than \$50,000	Request for Quotations OR Tender OR Requests for Proposals	No public opening is required. Department Head and Treasurer to determine the best process for receiving competitive bids. Advertising of bid call optional.

More than \$50,000	Tender OR Requests for Proposals	Public opening required. Department Head and Treasurer to determine the best process for receiving competitive bids. Advertising of bid call required.
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6. Specifications

- a) Each user Department shall be responsible for the preparation of plans and specifications with the support of outside professional assistance as deemed necessary.
- b) In order to contribute to waste reduction and increase the development and awareness of environmentally sound purchasing, the acquisition of Goods and Services will ensure that, wherever possible, specifications are amended to provide for expanded use of durable products, reusable products, and products that contain the maximum level of post-consumer waste and/or recyclable content, without significantly affecting the intended use of the product or service. It is recognized that cost analysis is required in order to ensure that the products are made available at competitive prices.
- c) Suppliers or potential suppliers shall not be requested to expend time, money or effort on design or in developing specifications or otherwise to help define a requirement beyond the normal level of service expected from Suppliers. Where such services are required,
 - i) the Treasurer shall be advised;
 - ii) the contracted supplier will be considered a consultant and will not be allowed to make an offer for the supply of the Goods and Services;
 - iii) a fee shall be paid, the amount of which shall be determined and agreed upon by the supplier before the service commences; and
 - iv) the detailed specifications shall become the property of the Municipality and can be used in obtaining competitive bids.

7. Awarding of Contracts

- a) All Contracts in excess of \$5,000 may be awarded by the Department Head in the form of a contract executed by the Mayor and Clerk provided the purchasing processes set out in this Policy have been followed, and if ALL of the following conditions are satisfied:

Condition 1:

- i) Funding for these Goods and Services is included in an approved capital budget; or
- ii) Funding for these Goods and Services is included in the approved annual operating budget.
- iii) The Goods and Services represent the work in respect of a development project and an irrevocable letter of credit or other surety in favour of the Municipality has been received by the Treasurer to secure the total estimated cost of the Goods and Services;

and

Condition 2:

There are no Provincial Government and Federal Government requirements for the express authorization of Council to Award the Contract.

- b) Prior to Contract award, the checklist will be presented to the Treasurer for financial approval and thereafter forwarded to the Clerk for assurance that the Purchasing Policy has been followed, prior to Contract execution by the Mayor and Clerk.

8. Administration

- a) All invoices and accounts from vendors shall be authorized prior to payment. Authorization in the form of signatures of the Department Head and staff denoting clerical accuracy, budgetary or specific Resolution approval, tender/quote number and indication that goods and services were received in good order must be in place. These required signatures will be deemed to authorize payment.
- b) Prior to Council adopting the operating and capital budget, no employee, Committee member or Member of Council is authorized to purchase any goods or services other than those goods or services required on a recurring basis for the day to day operations of the Municipality, without the prior approval of Council.
- c) The Treasurer is authorized to pay for Goods and Services purchased in accordance with this Policy and shall pay for any such Goods and Services unless otherwise provided in this Policy or within the time commitments specified in the purchasing agreement or contract.
- d) No prepayment for all or any part of Goods and Services shall be made unless the contract specifically provides for such prepayment.
- e) Every effort shall be made wherever and whenever possible, to purchase centrally those goods and services that are of a common nature to Departments concerned, so as to promote lower ultimate costs of goods and services.

9. Processes for Special Situations

Emergency

- a) When a situation, or the threat of an impending situation, occurs, that is determined by the Treasurer to be a threat to public health, the maintenance of essential Municipal services, the welfare of persons, or of public property, the protection of the Municipality's physical assets, or the security of the Municipality's interest or financial liabilities arising from unexpected conditions, and the occurrence requires the immediate delivery of Goods and Services and time does not permit following the process set out in this Policy, the Treasurer is authorized to do so in the most expedient and economical means possible.
The Department Head shall present a report to Council at its next meeting.
- b) In the event of a declared emergency, and in consultation with the Treasurer, the CEMC has full purchasing authority during the state of declared emergency.

Negotiation

The Department Head may under any one of the following conditions negotiate with one or more suppliers:

- a) When there is a Sole Sourcing situation;
- b) When there is a Single Sourcing situation such as when, due to market conditions, required Goods and Services are in short supply, or when urgent acquisition of required Goods and Services is necessary due to unexpected circumstances;
- c) When required Goods and Services must be compatible with equipment presently being used;
- d) During negotiations of annual renewals within a contract period;
- e) When all bids received are not Responsive and Responsible bids, or are otherwise unacceptable;
- f) When the nature of the assignment is confidential and disclosure to several bidders is inappropriate provided that the Municipality is in compliance with the *Municipal Freedom of Information and Protection of Privacy Act*, in respect of any such negotiations;
- g) When two or more identical low tender bids have been received or when only one bid has been received;
- h) When all tenders or bids received fail to meet the specifications or terms and conditions, and it is impractical to recall Tenders or Requests for Quotations or Requests for Proposals;

- i) When the lowest Responsive and Responsible bid received substantially exceeds the budgeted amount for Goods and Services, or is excessive in total cost as compared to the Goods and Services to be delivered;
- j) When negotiating rebates based upon annual purchase value with suppliers;
- k) When negotiating improved discounts for quick payment of invoices;
- l) When suggesting alternative products, offering equal or higher performance at lower costs;

Negotiated contracts shall be awarded in accordance with this Policy, and the results of negotiation must be reported to Council.

Relocation of Utilities

Despite any other provision of this Policy, a work order for relocating utilities as part of a construction project where a local utility company will perform the work for such relocation of utilities shall be prepared and signed by the Department Head and by the Treasurer.

Exceptions

A Department Head may request an exemption from any or all the purchasing methods outlined in this policy by submission of a report requesting the same to Council. Such exemption shall be granted by Resolution.

Purchase of Used Fleet, Demo or Other Equipment

The purchase of used or demo equipment is encouraged if, in the opinion of the Department Head, it is a cost-effective and fiscally responsible alternative to purchasing new.

It is recognized that used equipment can be sold quickly by dealers and such a situation does not lend itself to a process that requires formal quotations and sealed bids.

All purchasing of used or demo equipment should

- a) Meet or exceed the department equipment specifications
- b) Be supported by a minimum of three informal quotations as evidence of value acceptable to the Treasurer
- c) Be supported by a quotation for the purchase of an identically-equipped new piece of equipment as evidence of value acceptable to the Treasurer

Legislated Authority

The Clerk has the authority to purchase goods, services and equipment considered necessary or advisable to carry out the requirements of the Municipal Elections Act,

R.S.O. 1996. The Clerk shall whenever possible be guided by the provisions of this Purchasing Policy.

10. Disposal of Surplus Goods and Equipment

Except where surplus Goods are traded in as part of a replacement purchase, or are given to another operating Department within the Municipality which has a use for the surplus Goods or equipment, the user Department, in consultation with the Treasurer, shall sell or dispose of the Goods by public auction, Tender, or Request for Quotation, or other method, whichever method is in the best interest of the Municipality.

11. Co-operative Purchasing

The Treasurer is authorized to participate in and/or join in co-operative purchasing arrangements with other municipalities, local boards and other public commissions and agencies where the best interests of the Municipality will be served. Where such participation is at variance with the Municipality's Purchasing Policy, Council shall first authorize any participation.

12. Legal Claims

No bid or offer will be accepted from any bidder, inclusive of the bidder's subcontractors, who has a claim or has instituted a legal proceeding against the Municipality, or against whom the Municipality has a claim or instituted a legal proceeding, without prior approval of Council. For purposes of this provision, where such bidder is a corporation, bidder shall include any non-arms length corporation of the bidder.

13. Division of Contracts

No officer or employee of the Municipality shall divide the purchasing of Goods and Services in order to avoid the requirements of this Policy.

14. Authority to Execute Contracts

Subject to statutory requirements and where all the requirements of this Policy have been met, the Mayor and Clerk are authorized to execute contracts and any related documents.

15. Local Preference

- a) Except as set forth in (b) and (c), no local preference shall be shown or taken into account in acquiring Goods and Services.
- b) Where there are two responses to a solicitation for Goods and Services which after evaluation appear equal in all respects, a local preference may be shown for the sole purpose of breaking the tie. In such circumstances, the “local” Vendor shall be deemed to be the Vendor whose Business Premise shall have the nearest geographical proximity to the point of delivery of the Goods and Services.
- c) A local preference may be shown when the intrinsic nature of the acquisition necessitates a local preference, such as the solicitation by the Municipality for municipal office space.

16. Persons with Disabilities

In accordance with the *Accessibility for Ontarians with Disabilities Act, 2005*, municipal staff shall consider and have regard to disability accessibility issues as they may reasonably pertain to such acquisition of Goods and Services.

17. In-House Bids

Unless specifically approved by Council, the Municipality does not allow in-house bids for the acquisition of Goods and Services.

18. Conflict of Interest

No Goods or Services shall be purchased by the Municipality from any officer or employee of the Municipality or any member of Council or from any business in which any officer or employee of the Municipality or any member of Council is an officer of such business without express approval by Council. (**Appendix 1 – Resolution of Council**)

19. Performance Evaluation

The Treasurer, in conjunction with the Department Head, may initiate a performance review at the substantial completion or conclusion of a contract or more frequently if deemed appropriate.

20. Integrity of the Purchasing Process

In order to maintain the integrity of the bid solicitation processes and to protect the interests of the Municipality, the public and persons participating in a procurement process, the following shall be adhered to for any purchasing which is subject to the requirements of this Policy:

- a) Open Process: Departmental needs are clearly communicated to bidders. The method of evaluating the bid and the evaluation criteria are provided to bidders at the outset of the bid solicitation process. The terminology used in the competitive bidding documents are defined and interpreted within the document when issued. The method and format of submitting Bids is addressed in the bid solicitation document.
- b) Fairness: Utilize standard documents: Instructions to bidders, terms and conditions and bidding forms to ensure consistency of content and format within documents issued by the Municipality. Specify clearly all details regarding the closing date, time and location of bid Solicitation processes and apply the rules of bid acceptance consistently. Treat all Bidders and all submissions equally and without bias or favouritism at all times.
- c) Open Competition: Develop specifications and terms of reference that whenever possible, are not restrictive and allow for open competition from the marketplace. Advertise all formal public Tenders and Requests for Proposals on the internet in order that the competitive bidding opportunity be advertised and accessible to all interested firms. Advertise the competitive bidding opportunity in a specific trade newspaper or local newspaper where practical to further promote competition.
- d) Accountability: Ensure that all Bids are kept secure prior to the closing date, during the evaluation period and following contract award. Handle all proprietary information and Bids submitted in confidence in accordance with the *Municipal Freedom of Information and Protection of Privacy Act*. Ensure that Requests for Proposals are evaluated by a representative selection committee to allow for various perception and opinions when reviewing and evaluating proposals prior to contract award. Ensure that all bids, final rating results and related supporting documentation are kept on file in accordance with the Municipality's Retention By-law for future reference, audit or examinations. Ensure that procurement procedures are reviewed on a regular basis to ensure the procedures are clear, logical, and current and in accordance with accepted industry standards. Include conflict of interest guidelines in all competitive bidding documents to

minimize the risk of potential suppliers trying to influence Municipal staff and elected officials during the bid evaluation process.

21. **Authorities**

- a) Council - Council has ultimate authority for all expenditures. Council delegates this authority by the approval of budgets or by specific Resolution. Treasury cannot pay for any item that has not been authorized by Council through budget appropriation or specific Resolution.
- b) Department Head - The Department Head shall be responsible for approval of accounts within the approved budget for such department or any amendment to same as approved by Council. A Department Head may appoint a Purchasing Designate to exercise any or all responsibilities assigned to that Department Head by this policy. ([Appendix 2 – Purchasing Limit Designation](#))
- c) Departmental Variances - Where it appears additional funds will be required to complete a project approved in the budget or support revenue shortfalls, and where funds are available within the levy allocation of the department, a variance of funds may be made if the variance does not conflict with their approved work-plan.
 - Department Head - The Department Head may authorize the variance to a limit of \$5,000 and report same to the Treasurer.
 - Treasurer – To the extent that a Department Head has been able to secure project-based funding commitments subsequent to budget approval, the Treasurer may authorize a budget variance provided that no additional Municipal funding is required.
 - Council – Council may authorize any variances in excess of \$5,000 by Resolution.
 - The Department Head shall present a written report with the notation “Variance to Budget.”
 - The report shall contain the nature and purpose of the excess expenditure, cost estimates, and the Department Head and Treasurers endorsement.
- d) Variances Between Departments - Where it appears additional funds will be required to complete a project approved in the budget or support revenue shortfalls, and where funds are available between the levy allocations of two departments, a variance of funds may be made if the variance does not conflict with the approved work-plan of either department.

- Department Head - The Department Head may authorize the variance between his responsible departments to a limit of \$5,000 and report same to the Treasurer.
- Council - Council may authorize any variances between departments in excess of \$5,000 by Resolution.
 - The Department Head shall present a written report with the notation "Variance to Budget."
 - The report shall contain the nature and purpose of the expenditure, cost estimates, the department from which an appropriation can be provided and the Department Head and Treasurers endorsement.

e) Variance Reporting –

- Variances to estimated revenues and estimated expenditures contained in the approved budget shall not be deemed to be "amendments to the budget".
- Anticipated variances are noted by the Department Head for comment in the monthly financial reports prepared by the Treasurer for consideration of Council.
- If the variances are expected to be significant the Department Head and Treasurer will recommend timely corrective and remedial action to mitigate the impact.

The Schedules attached to this Policy form part of this Policy.

Schedule "A"

Exemptions to Requirements of Purchasing Process

The purchasing processes described in this Policy **do not** apply to the following items.

1. Training and Education

- a) Conferences, conventions, workshops, courses and seminars
- b) Magazines, subscriptions, books and periodical
- c) Memberships
- d) Staff training and development

2. Refundable Employee / Council Expenses

- a) Advances
- b) Meal allowances
- c) Travel and entertainment
- d) Miscellaneous – non-travel

3. Employer's General Expenses

- a) Reimbursed employee expenses
- b) Payroll and honoraria remittances
- c) Employee benefit remittances and statutory payroll deductions
- d) Workplace Safety and Insurance Board (WSIB) remittances
- e) Licenses
- f) Grants to agencies
- g) Damage claims
- h) Debenture payments
- i) Insurance premiums
- j) Petty cash replenishments
- k) Tax remittances
- l) Refunds/overpayment of taxes, utility charges and fees
- m) Financial agreements (e.g. cost sharing with other municipalities)
- n) Charges to or from other government agencies
- o) Real estate fees and commissions
- p) Bank charges
- q) Progress payments for construction contracts
- r) Purchase of investments

4. Professional and Special Services

- a) Committee fees
- b) Counseling services

- c) Banking and investment services
- d) Appraisal charges
- e) Legal fees
- f) Arbitration fees
- g) Medical, laboratory and pharmacy fees
- h) Instructor fees
- i) Witness fees
- j) Permit or application fees
- k) Newspaper advertising

5. Utilities

- a) Water
- b) Sewer
- c) Natural gas
- d) Electricity
- e) Postage
- f) Telecommunication services
- g) Cable television charges

6. Real Property Interests

- a) All real estate transactions

Schedule “B”

Informal Quotations Procedures

1. Goods and Services may be obtained by the Department Heads on values between \$0 and \$200 by Direct Purchase or Credit Card or Petty Cash at the Department Head’s discretion.
2. Goods and Services may be obtained by the Department Heads on values between \$0 and \$5,000 by Direct Purchase using an open market process not requiring any formalized bidding. This process allows the searching of price comparisons through the use of vendor catalogues or known price advantages.
3. Good and Services may be obtained by the Department Heads on values between \$5,001 and \$15,000 using an Informal Quotation process. Where possible, three (3) written quotations are to be obtained by the Department Head.
4. Specifications (as applicable) can be issued and received by hand delivery, regular mail, courier, facsimile or email.
5. The closing date and time is at the discretion of the Department Head issuing the bid requirement.
6. Informal bid submissions received by fax or e-mail later than the time specified shall not be considered in the bid award. All bid submissions shall have the date and time of receipt noted on the document.
7. In all cases, the Department Head is required to acquire Good and Services using fair and ethical purchasing practices as established by the Municipality.
8. In soliciting prices, either for the open market process or informal quotation process the Department Head shall indicate the specifications and terms equally to suppliers contacted.
9. Purchases in the case of multiple bid responses will be awarded to the lowest “Responsive and Responsible” bidder.
10. Complete **Appendix 4 – Quotation Checklist**

Schedule "C"

Request for Formal Quotations Procedures

1. The call for formal quotations, is to be obtained by the Department Head for Goods and Services between \$15,001 and \$50,000. Quotations shall be solicited by written invitation.
2. Quotations shall be submitted by hand delivery, regular mail, courier, facsimile or email.
3. The Department Head is required to obtain quotes using fair and ethical purchasing practices as established by the Municipality. Staff are to utilize best efforts in acquiring three (3) quotation responses. It should be noted that in some cases, it may not be possible to achieve these bid responses for some Goods and Services.
4. In soliciting prices, the Department Head shall indicate the specifications, terms and conditions equally to all bidders, all of which are to form the basis of the awarded contract.
5. Quotation submissions are to be opened by the Department Head with two other Municipal staff to witness opening.
6. The Department Head shall review all Quotations received and verify that all requirements of the quotation are met.
7. Where a contract is awarded, it shall be the lowest "Responsive and Responsible" bidder, who meets all requirements of the bid documents.
8. Complete **Appendix 4 – Quotation Checklist**

Schedule “D”

Bidding Procedures

1. Tenders may be called when the requirement of the Goods and Services can be defined or when a clear or single solution exists.
2. Request for Proposals (RFP) may be called when the requirements of Goods and Services cannot be definitely specified, or the requirements of the Goods and Services are non-standard in nature and where such proposals would result in specific offers by the bidders to fulfill the requirements at a particular price.
3. A Request for Information or Request for Expression of Interest may be issued in advance of an RFP call to assist in the development of a more definitive set of terms and conditions, scope of work/service and the selection of qualified suppliers.
4. The Department Head shall prepare or cause to be prepared tender documents. These documents shall provide clear instructions, specifications, terms and conditions of the Contract.
5. Requests for Proposals shall follow the two-envelope method. The technical and qualitative information shall be submitted in the first envelope and the pricing information is provided in the second envelope which is only opened if the bidder is qualified by the first envelope.
6. The Municipality may charge an administrative fee to bidders for issuance of tender documents.
7. Where public advertising in respect of the tender call is required by this Policy, the call for tender shall be advertised to the public on an acceptable Internet web page, trade publication, local newspaper or all three and such advertising shall be the responsibility of the Department Head. The advertisement shall contain all the following:
 - a) The full name “The Corporation of the Town of South Bruce Peninsula”;
 - b) The Tender or Request for Proposal number;
 - c) A general description of the Tender or Request for Proposal;
 - d) The person designated to receive responses;
 - e) The time and date 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 or Request for Proposal will not necessarily be accepted;
 - j) Fax number for vendor inquiries; and
 - k) The Municipality's website address.
8. Every bid document shall include all of the following:
- a) The form of tender;
 - b) Terms and conditions of the specific tender.
 - c) An area to provide for the bidder's signature, company name, company address, telephone number, fax number and e-mail address.
 - d) The bid form shall also provide A "Submission Label" or the following information will be included with all bid documents and shall include the bid document number, opening date, company name and address.
 - e) Closing times for sealed bids will be included in the document.
 - f) The time limit for signing the contract shall be clearly stated.
 - g) Bid documents shall clearly indicate the insurance requirements that are to be provided by the successful bidder. (See Paragraph 19 Insurance)
 - h) Special provisions where applicable; and
 - i) Specifications.
9. Tender documents for construction contracts, in addition to the above, may require:
- a) Drawings and plans.
 - b) Agreement documents.
 - c) Contract securities.
 - d) Evidence of good standing with the Workplace Safety and Insurance Board.
 - e) Liability insurance and certificates.
 - f) Occupational Health and Safety Policies.
 - g) Vendor safety policies.
10. All formal bid documents must require that [Appendix 6 - Statement by Bidder](#), is completed in full and signed by an authorized representative of the company submitting the bid.
11. The following term shall be included on every tender form:

- a) "The Town of South Bruce Peninsula 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".
- b) Notwithstanding and without restricting the generality of the statement immediately above, the Town of South Bruce Peninsula shall not be required to award or accept a bid, or recall the bids at a later date:
 - i) When only one (1) bid has been received as the result of the tender call.
 - ii) Where the lowest Responsive and Responsible bidder substantially exceeds the estimated cost of Goods and Services.
 - iii) When all bids received fail to comply with the specifications of tender terms and conditions.
 - iv) Where a change in the scope of work or specifications is required.
 - v) Where Council has changed or retracted by resolution departmental work plans / priorities

12. Conditions applicable to all bid submissions:

- Bid documents must be submitted and received in the manner as specified in the bid document. Exemptions will be noted and considered if deemed appropriate by the Department Head or Council.
- All departments must document the receipt of all submissions including the bidder's name, date/time of receipt of bid and initials of the employee accepting the bid.
- A bidder who has already submitted a bid may submit a further bid at any time up to the official closing time. The last bid received will supersede and invalidate all bids previously received by that bidder.
- A bidder may withdraw a submitted bid at any time up to the official closing time by letter bearing their signature.
- Bids and adjustment to bids submitted by telephone, facsimile or email, shall not be considered. A bidder wishing to make adjustments to a submitted bid must supersede it with a subsequent bid or letter enclosed in the bid envelope received on or before the closing date and time.
- Any revised bids must be sealed in a new envelope and date/time stamped.
- Sealed bid submissions received later than the time specified will not be opened but will be kept with the tender file in accordance with the retention bylaw.
- The Municipality reserves the right to verify all bid submissions for requirements and extended prices after the public opening and may reject any non-compliant bid after the bid opening. No announcement concerning the successful bidder will be made at the bid submission opening.

- All bids must be legible and written in ink or typewritten.
- All bid forms must be duly executed as required.
- All required documents, such as agreements to bond, bid bonds, security letters, or bid deposits, shall be enclosed in the same bid envelope.
- Bid envelopes shall be sealed or secured.
- The bid deposit shall be in the form specified in the bid documents. Where a deposit cheque is required, it must be in the form of a certified cheque, or bank or trust company draft, or bid bond.
- All mandatory requirements stipulated in the Municipality's Request for Tender document must be met.
- The Department Head of the department issuing the bid document is responsible for notifying the Treasurer of the bid call.

13. Where it is deemed necessary by the Municipality to revise the bid documents, the following process shall apply:

- a) An addendum shall be forwarded to every person who obtained bid documents for the contract. The addendum shall be attached to all bid forms not yet distributed. Where an addendum is prepared within four (4) days of the closing date, every person who obtained bid documents shall be notified of the addendum by telephone or email and receive the addendum by facsimile.
- b) Where a closing date has been extended, all bidders shall be advised that any bids submitted prior to the giving of the extension will be returned upon request.
- c) Where it is deemed necessary by the Municipality to cancel a tender call, an advertisement will be placed in the electronic medium or publication in which the original advertisement appeared stating that the tender call has been cancelled and every person who obtained bid documents shall be notified by telephone, facsimile or electronic mail of the cancellation. The administrative fee charged for the bid documents shall be returned to the Bidders who paid to receive the documents.
- d) Where a tender call is cancelled prior to closing, no bids shall be accepted. All bids received shall be returned unopened by registered mail or courier with a covering letter.

14. Bid Closing and Opening

- a) All bids for projects budgeted to exceed \$50,000 shall be opened at a public meeting at a time and location specified in the tender documents.
- b) The Department Head and a minimum of two additional Municipal employees shall be present for all bid openings.

- c) The list of bidders prepared by the Department Head shall be available to all attending the opening.
 - d) The Department Head shall ensure that all tenders have been accounted for prior to reading out the tenders. Tender envelopes which do not indicate the contract or the bidder's name shall be opened and placed with other tenders for that contract.
 - e) The Manager shall announce for each contract, the contract number, the contract description, the name of the Bidder, and shall prepare a list thereof.
 - f) Where two (2) 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.
 - g) The Manager shall review and analyze the bid submissions and recommend the award of the contract to the lowest bid of a Responsive and Responsible bidder.
 - h) Council will be made aware of the opening results.
15. Bids shall be rejected for any of the following reasons or for any other reason deemed appropriate by the Department Head or Council:
- a) Bid received after the specified closing date and time as specified in the bid document.
 - b) Bid does not comply with the requirements at time of closing as specified in the bid document.
 - c) Bids which are incomplete, conditional or obscure, or which contain additions not called for, erasures, alterations or irregularities of any kind.
 - d) Does not meet specification requirements.
 - e) It is not in the best interest of the Municipality to accept the bid (Example, but not limited to: over budget, does not meet the objective of the bid document, etc.)
 - f) Insufficient bid/contract security has been submitted.
16. Bid deposits shall be required to accompany bid submissions in the following circumstances:
- All bids for projects in excess of \$100,000 of a minimum of 5% of the contract value and in the form acceptable to the Municipality (see *Paragraph 18*)
 - For estimated expenditures less than \$100,000, the Department Head shall determine the amount of the bid deposit required.

- Bid deposits shall be no less than 5% of the estimated value of the work prior to bidding or an amount equal to a minimum of 5% of the bid submitted.

The Department Head shall retain, in safe-keeping, the deposits of the two (2) lowest bids until an award has been determined, accepted, and a contract executed. All other bid deposits will be returned forthwith. Should a tender not be awarded, the Department Head shall forthwith arrange return of bid deposits to the bidders. The bid deposit may be used to mitigate costs or damages to the Municipality where a successful bidder fails to execute the contract, or furnish any required documents within 10 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.

17. Performance Security

For all construction projects exceeding \$100,000 a performance and maintenance bond for a minimum of 50% of the tendered amount is required in the form acceptable to the Municipality (*see Paragraph 18*).

The performance bond shall be retained until satisfactory completion of the project. Satisfactory completion will be determined by the Department Head. The maintenance portion of the bonds shall be retained for a minimum of two (2) years.

A performance bond is required for, but not limited to, construction, renovation, demolition, service contracts (when working on Municipal property), supply and installation of equipment.

For all construction projects over \$50,000, a 10% holdback shall be applied until the full and satisfactory completion of the project. Satisfactory completion of the project will be determined by the Department Head.

The Engineering Services component of all construction projects with a total cost over \$50,000 shall be subject to a 10% holdback until the full and satisfactory completion of the project.

The Ontario Provincial Standards Specifications, General Conditions of Contracts are adopted as the Municipality's General Terms and Conditions for Civil Works Construction Contracts.

For consulting services and professional fee contracts over \$50,000, the Department Head shall determine the amount of the performance security required, but shall not be less than a holdback of 10% until satisfactory completion

18. Form of All Deposits: All performance security must be in ORIGINAL FORM, signed, and sealed as applicable. No faxed or photocopies will be accepted.
- A bond or an agreement to bond issued by a bonding agency currently licensed to operate in the Province of Ontario in favour of the The Corporation of The Town of South Bruce Peninsula.
 - A certified cheque made payable to The Corporation of The Town of South Bruce Peninsula.
 - An irrevocable letter of credit naming The Corporation of The Town of South Bruce Peninsula as the beneficiary.
 - Money orders made payable to The Corporation of The Town of South Bruce Peninsula.
 - Canadian currency.

No interest will be paid on Bid, Performance, Labour and Material or Maintenance Bonds.

19. Insurance : Any time that a successful bidder is required to complete any type of work on or at a Town of South Bruce Peninsula location, a certificate of insurance is required. The Municipality's minimum requirement for all insurance types is \$2 million.
- a) Insurance Policy Requirements for successful bidder - the policy must contain:
- a "Cross Liability" clause or endorsement;
 - an endorsement certifying that The Corporation of The Town of South Bruce Peninsula and the successful bidder are included as an additional named insured;
 - an endorsement to the effect that the policy or policies will not be altered, cancelled or allowed to lapse without thirty days prior written notice to The Town of South Bruce Peninsula.
 - Contractor's Liability Insurance Policy

The standard insurance minimums are as follows:

- \$2 million – general liability policy. The Department Head of Public Works may request additional coverage up to \$5 million for larger projects.
- \$2 million - automobile liability policy. Whenever a successful bidder's vehicle(s) is being used to perform work for the Municipality or on Municipal property.
- \$2 million – homeowners (e.g. for rental of facilities)

- \$2 million – professional errors and omissions
 - Builder’s Risk – the amount of the project cost
20. In considering a contract award, the Department Head shall consider the following, assuming the bid contains no major irregularities:
- a) The Bidder’s ability, capacity and skill to perform the contract.
 - 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.
 - g) Any other evaluation criteria as indicated in the Tender or Request for Proposal document.
21. The Department Head, following the approval of the contract, shall notify the successful Bidder in writing.
22. 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 Department Head may:
- a) Grant the successful bidder additional time to fulfill the requirements; or,
 - b) Award the contract to the second lowest Bidder.
23. As soon as the executed contract and any other required documents are returned to and found acceptable by the Department Head, the tender deposits of the successful Bidder and the second low bidder shall be returned to them. Performance bonds from the successful bidder shall be retained.
24. Complete **Appendix 5 – Tender / Proposal Checklist**

Schedule “E”

Errors and Irregularities

Recognition of Issue

The Municipality recognizes that submissions presented in response to solicitations of the Municipality may from time to time contain errors, not all of which shall be fatal to the consideration of the submission. The purpose of this section is to define the actions to be taken in dealing with certain common errors in submissions which may be received by the Municipality.

SUMMARY OF IRREGULARITIES IN SUBMISSIONS	
Error or Irregularity	Action
Late submission	Automatic Rejection
Submission not written in ink or other non-erasable medium	Automatic Rejection
Bid surety not submitted with the bid when the bid request (or any addendum) indicated that such surety is required	Automatic Rejection
Deposit or other required performance security not in required amount or form	Automatic Rejection
Deposit or other required performance security is either unenforceable, or partially unenforceable on its face. Includes situations where the bid bond is issued by a surety company not licensed in Ontario	Automatic Rejection
Impossible to identify either the person making the submission or the solicitation to which the submission relates from the outside of the envelope	Automatic Rejection
Unsealed Tender envelope	Automatic Rejection
Submission is Qualified: i.e.: Contains a restriction or qualification where such restrictions or qualifications are not permitted by the solicitation	Automatic Rejection
All required items not included in submission. Including but not limited to: missing signature, missing schedules, missing forms or other documents required by solicitation.	Automatic Rejection
Submission not received in required form	Automatic Rejection
Failure to attend mandatory site meeting at the time specified in the solicitation	Automatic Rejection

Any addenda to solicitation not acknowledged	May provide acknowledgement within five (5) working days of notification of the error was given by the Municipality, but no change in submission permitted
Submission contains obvious clerical or mathematical errors	May correct error within five working days from the time that notification of the error was given by the Municipality
Alterations have been made to the submission but have not been initialed to verify authenticity	May correct error within five (5) working days from the time that notification of the error was given by the Municipality
Part bid	Acceptable unless complete bid has been specified in the request
Alternate bid	Available for further consideration unless specified otherwise in the request
Unit prices in the schedule of prices have been changed but not initialed	May correct error within five (5) working days from the time that notification of the error was given by the Municipality. The Municipality reserves the right to waive initialing and accept bid

Purchasing Policy

Appendix - One

Article I. Resolution of Council

Subject:

Appointed Officer or Employee with any interest directly or indirectly, as a contracting party, partner, shareholder, surety or otherwise in any contract for goods or services or in any portion of the profits thereof or on any supplies to be used herein, or in any of the monies derived there from. Family Acting as Suppliers or Benefiting from Town Business.

Recommendation:

Whereas the Council of the Town of South Bruce Peninsula have passed By-Law _____ which adopted the Manual Governing the Policies and Procedures for the Corporation of the Town of South Bruce Peninsula,

And whereas Policy TR.17.1 Section 18 of the Purchasing Policy prohibits the Town of South Bruce Peninsula from purchasing or accepting a tender on quotes from any individual when an appointed officer or employee of the Town has an interest directly or indirectly with the contracting party,

And whereas the Town’s Manager of Financial Services is desirous of maintaining present relationships with the various contracting parties,

Now therefore the Council of the Town of South Bruce Peninsula recommends that the following parties be added, amended or removed from the listing as indicated.

Appointed Officer or Employee	Position	Name of Contracting Party	Nature of Business

**Purchasing Policy
Appendix - Two
Purchasing Limit Designation**

As per Section 3 of the Purchasing Policy a Department Head may appoint a Purchasing Designate to exercise any or all responsibilities assigned to that Manager by this policy.”

Department Head authorization and responsibilities is stated in Section 5 and described in Schedule B “Goods and Services may be obtained by the Department Heads on values between \$0 and \$5,000 by Direct Purchase using an open market process not requiring any formalized bidding. This process allows the searching of price comparisons through the use of vendor catalogues or known price advantages.”

Pursuant to the Purchasing Policy, the Purchasing Limit Designation is required. A copy of the Purchasing Policy is to accompany this Purchasing Limit Designation and must be reviewed by each Designate.

I, _____, Manager of _____
(Name) (Department)

Do hereby designate _____
(Name of Employee) (Position of Employee)

With the authority to purchase up to \$_____ in Goods and Services in accordance with the Towns of South Bruce Peninsula’s Purchasing Policy.

This designation is valid from _____ to _____.
(Date to Commence) (Date to Expire)

Manager

Receipt of Designation and copy of Purchasing Policy.

Designate

(Original to be retained by Designate, copy to be retained by Department Head, with additional copy to be provided to the Treasurer).

**Purchasing Policy
Appendix –Three
Department Listing**

For the purpose of Section 22.d, a department means the following with the exception of Departments 20 to 29 inclusive and 32, which are considered as one department under Public Works.

Department Number	Department
1	Council
2/4	General Administration
3	Elections
11	Fire Protection
12	Police Protection
13	Grey Sauble Conservation Authority
14	Building Inspection Department
15	Animal Control
15	Paid Parking
16	By-Law Enforcement
17	Emergency Management Program
	<u>Public Works Includes:</u>
20	Bridges and Culverts
21	Shoulder Maintenance
22	Hardtop Maintenance
23	Loosetop Maintenance
24	Winter Maintenance
25	Safety Devices
26	Road Construction
28	Roads-Equipment and Administration
29	–Roads-Vehicles
30	Health and Safety
32	Town Street Lighting Systems
35	Warton-Keppel District Airport
40	Warton Waterworks System
41	Amabel Waterworks System
42	Garbage Collection
43	Garbage Disposal (Landfill Site)
44	Recycling
45	Warton Sewer System
46	Sauble Sewer System
50	Cemetery
51	Parks and Information Centre
52	Recreations

52	Grants and Donation Program
52	Boards and Committees of Council
52	Sauble Community School
53	Community Centre Sauble Beach
54	Sauble and Wiaraton Library
56	Info Centre/Medical Clinic-Sauble Beach
57	Pool
58	Arena
59	Wiaraton Information Centre & Campground
60	Wiaraton Willie
61	Planning
61	Economic Development
62	Drainage
63	Wiaraton BIA
64	Docking Facilities

Note: Departments may be added or deleted by the Manager of Financial Services or a the direction of Council from time to time in order to maintain efficiencies

**Purchasing Policy
Appendix - Four**

**Quotation Checklist
(Purchases between \$5,001 and \$50,000)**

1. Quotation name and identification: _____
2. Budgeted amount: _____
3. Please circle one:
 - a. Informal Quote (\$5000 - \$15,000)
 - b. Formal Quote (\$15,000 to \$50,000)
4. Quotation documents/plans prepared by: _____
5. Quotation specifications attached (initial): _____
6. Quotation advertisement attached (N/A if informal quote) (initial): _____
7. List of prospective bidders/plan takers attached (initial): _____
8. Quotations close at: _____
9. Date and time of quotation opening: _____
10. Successful quote: _____

Company Name	Tender Amount
--------------	---------------
11. Letters mailed to:

	Company Name	Date	Initial
Highest quote	_____	_____	_____
Second quote	_____	_____	_____
Third quote	_____	_____	_____
Others	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

12. Clearance Certificate or Letter of Independent Contract Status from WSIB

Date valid: _____ Initial: _____
Beginning Ending

Date received: _____ Initial: _____

Sent to Engineer/Consultant: _____ Initial: _____

Approved by Engineer/Consultant: _____ Initial: _____

Approved by Manager: _____ Initial: _____

Additional certificates obtained (must be current certificates on file throughout entire period work is being performed)

Date valid: _____ Initial _____
Beginning Ending

Date valid: _____ Initial: _____
Beginning Ending

Date valid: _____ Initial _____
Beginning Ending

13. Certificate of insurance from Broker/Insurer (Liability Coverage)

Date received: _____ Initial: _____

Sent to Engineer/Consultant: _____ Initial: _____

Approved by Engineer/Consultant: _____ Initial: _____

Sent to Manager of Financial Services: _____ Initial: _____

14. Town of South Bruce Peninsula Occupational Health & Safety Compliance Form

Date received: _____ Initial: _____

Sent to Engineer/Consultant: _____ Initial: _____

Approved by Engineer/Consultant: _____ Initial: _____

Approved by Manager: _____ Initial: _____

15. Contract/Agreement signed by Town

Date: _____ Initial: _____

Purchasing Policy
Appendix - Five
Tender / Proposal Checklist
(Purchases of \$50,001 or more)

Tender/Proposal name and identification: _____

Budgeted amount: _____

1. Tender/Proposal documents/plans prepared by: _____

2. Tender/Proposal specifications attached (initial): _____

3. Tender/Proposal advertisement attached (initial): _____

4. List of prospective bidders/plan takers attached (initial): _____

5. Tender/Proposal close at: _____

6. Date and time of Tender/Proposal opening: _____

7. Successful Tender/Proposal : _____

Company Name

Tender/Proposal Amount

Tender/Proposal Results form attached (initial): _____

8. Letters mailed to:	Company Name	Date	Initial
Highest Tender/Proposal	_____	_____	_____
Second Tender/Proposal	_____	_____	_____
Third Tender/Proposal	_____	_____	_____
Others	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

9. Clearance Certificate or Letter of Independent Contract Status from WSIB

Date valid: _____ Initial: _____
 Beginning Ending

Date received: _____ Initial: _____

Sent to Engineer/Consultant: : _____ Initial: _____

Approved by Engineer/Consultant: : _____ Initial: _____

Approved by Manager: : _____ Initial: _____

Additional certificates obtained (must be current certificates on file throughout entire period work is being performed)

Date valid: _____ Initial: _____
 Beginning Ending

Date valid: _____ Initial: _____
 Beginning Ending

Date valid: _____ Initial: _____
 Beginning Ending

10. Certificate of insurance from Broker/Insurer (Liability Coverage)

Date received: _____ Initial: _____

Sent to Engineer/Consultant: _____ Initial: _____

Approved by Engineer/Consultant: _____ Initial: _____

Sent to Manager of Financial Services: _____ Initial: _____

Additional certificates obtained (must be current certificates on file throughout entire period work is being performed)

Date valid: _____ Initial: _____

Beginning Ending

Date valid: _____ Initial: _____

Beginning Ending

11. Town of South Bruce Peninsula Occupational Health & Safety Compliance Form

Date received: _____ Initial: _____

Sent to Engineer/Consultant: _____ Initial: _____

Approved by Engineer/Consultant: _____ Initial: _____

Approved by Manager: _____ Initial: _____

12. Letter of Credit or Performance Bond (required for provision of services & material tenders)

Date received: _____ Initial: _____

Sent to Engineer/Consultant: _____ Initial: _____

Approved by Engineer/Consultant: _____ Initial: _____

Approved by Manager: _____ Initial: _____

13. Labour and Material Bond (required where the tender is for the provision of complex material or where there is a large amount of subcontractor labour)

Date received: _____ Initial: _____

Sent to Engineer/Consultant: _____ Initial: _____

Approved by Engineer/Consultant: _____ Initial: _____

Approved by Manager: _____ Initial: _____

14. Contract/Agreement signed by Town

Date: _____ Initial: _____

15. Deposit cheques returned to three highest bidders:

	Company Name	Date	Initial
Highest Tender/Proposal	_____	_____	_____
Second Tender/Proposal	_____	_____	_____
Third Tender/Proposal	_____	_____	_____

**Purchasing Policy
Appendix - Six**

Article II. Statement by Bidder

Bid Document Name:

Bid Document Number (if applicable): _____

1. I/We have reviewed all terms and conditions of all forms included as part of this bid package.
2. I/We have read and understand all of the terms and conditions of the forms included as part of this bid package.
3. I/We understand that if our bid is successful, all requirements of the successful bidder as outlined in this bid document will be completed by the time and in the format required.

Dated at _____ this _____ day of _____, 20____.

Witness

Signature of Authorized Person

Name of Authorized Person

Position