

Schedule "A" to By-Law 2024-31



**The Corporation of The  
City of Pembroke**

**Procurement Policy  
And  
Procedures Manual**

**CORPORATION OF THE CITY OF PEMBROKE PROCUREMENT  
POLICY AND PROCEDURES MANUAL**

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## **Section I – Definitions**

In this Policy:

- 1.1 Acquisition** – means the process used for obtaining good and services.
- 1.2 Agreement** – means a legal document that binds the City of Pembroke and all other parties, subject to the provisions of the contract.
- 1.3 Annual Aggregate Value** – means the total amount anticipated to be spent annually by all departments on a particular type of good or service.
- 1.4 Approval** – means authorization to proceed with purchase or disposal of goods and/or services.
- 1.5 Best Value** – means the optimal balance of performance and cost determined in accordance with a pre-defined evaluation plan.
- 1.6 Bid** – means an offer or submission received from a vendor in response to a Bid Solicitation, which is subject to acceptance or rejection.
- 1.7 Bid Irregularity** – means a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response (see Appendix A)
- 1.8 Bid Request** – means a written request for bids or a solicitation, which may be in the form of a Request for Quotation, Request for Tender, or Request for Proposal.
- 1.9 Bid Solicitation** – means a formal request for Bids, including a Request for Quotation, Request for Tender, Request for Proposal, Request for Expression of Interest or Request for Pre-Qualification.
- 1.10 Blanket/Standing Order (Supply Contract)** – means a Purchase Order which establishes prices or a method for determining prices, terms and conditions and the period of time during which a vendor agrees to provide goods and services to the purchaser upon the purchaser’s demand. Generally used to cover routine purchases.
- 1.11 Chief Administrative Officer (CAO)** – means the Chief Administrative Officer for the Corporation City of Pembroke.
- 1.12 City** – means The Corporation of the City of Pembroke.
- 1.13 Clerk** – means the Municipal Clerk for the City of Pembroke.

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- 1.14 Committee** – means a major committee of Council comprised of all members of City Council.
- 1.15 Construction** – includes construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials and the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional services related to the construction contract unless they are included in the procurement.
- 1.16 Contract** – means a legally binding agreement between two or more parties. Such agreements will be by way of a Purchase Order or Purchase Order incorporating a formal agreement or a formal agreement between two or more parties that creates an obligation to do or not to do a particular thing.
- 1.17 Conflict of Interest** – refers to a situation in which private interests or personal consideration may affect an employee’s or elected official’s judgement in acting in the best interest of the City. It includes using an employee’s/elected official’s position, confidential information or corporate time, material, or facilities for private gain or advancement or the expectation of private gain or advancement. A conflict may occur when an interest benefits any member of the employee’s or elected official’s family, friends, or business associates. Conflict of Interest for municipalities is further defined in the *Municipal Conflict of Interest Act*. See the *Act* for further information.
- 1.18 Corporate Signing Officer** – means the Head of Council, and Chief Administrative Office or other individuals designated by Council or this Policy.
- 1.19 Cost Effective Bid** – means a bid received in response to a request that offers the best value for the dollars expended taking into consideration a quantitative and qualitative sections procedure.
- 1.20 Council** – means the Council for the Corporation City of Pembroke.
- 1.21 Co-op** – means a Co-operative acquisition venture.
- 1.22 Department Head or Authorized Designate** – A Department Head (also known as Department Director) is defined as, and applies to, any employee who has been designated by the employer as one who directs and oversees a department or organization and the employees within that department or organization.
- 1.23 Direct Appointment** – means to directly appoint a consultant on the basis of defined selection criteria, including but not limited to qualifications and experience.

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- 1.24 Disposal** – means the removal of materials owned by the Municipality which are deemed surplus, by sale, trade-in, auction, alternative use, gift or destruction.
- 1.25 Emergency** – means a situation where the purchase of goods and services requires immediate action to prevent or correct dangerous or potentially dangerous safety conditions, further damage, to restore minimum service or ensure the safety of the public.
- 1.26 Evaluation Committee** – means a committee of staff and/or consultants established to evaluate Proposal submissions according to the Evaluation Criteria, and is comprised of staff from the originating department and, may include a member(s) from another department.
- 1.27 Evaluation Criteria** – means the criteria used in a procurement process determine which submission best meets the City’s needs, and which may include, but are not limited to: company background, project team and manager, related experience, availability for duration of the works, comprehension, understanding and approach, planning and resources required, innovation, schedule of fees/pricing, quality of service, compatibility, product reliability, operating efficiency and other factors deemed appropriate.
- 1.28 Execute** – means to legally bind the City to the terms and conditions defined within the Agreement.
- 1.29 Expression of Interest (Request for Expression of Interest/RFEOI)** – means a situation where vendors are solicited by the Municipality to advise the Municipality of their ability or desire to undertake municipal requirements. Receipt of an Expression of Interest by the Municipality does not create any obligation between the potential vendor and the Municipality, but may be a precondition to qualifying for subsequent bid solicitations issued by the Municipality.
- 1.30 Follow-on Contract** – means a contract which represents an extension to a contract, which was previously awarded to a supplier, contractor or consultant.
- 1.31 Goods and/or Services** – includes supplies, equipment, property insurance, maintenance, professional and consulting services and service contracts not otherwise provided for.
- 1.32 Limited Purchase Order** – a purchase order used by Supervisors/ Superintendents, Clerk, Managers as delegated by the Department Head
- 1.33 List of Bidders** – means a list, retained by the Purchasing Department of those vendors who are interested in submitting bids.
- 1.34 Lowest Responsive Bid** – means the lowest bid price submitted which meets the requirements and specifications as set out in the bid request, minor deviations excepted.

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- 1.35 Major Irregularity** – is a deviation from the bid request that affects the price, quality, quantity or delivery, and is material to the award. If the deviation is permitted, the bidder could gain an unfair advantage over competitors. The Purchasing Manager must reject any bid that contains a major irregularity.
- 1.36 Material Lease** – A material lease is a financing lease which would result in a material impact for the municipality where the costs or risks significantly affect, or would reasonably be expected to have a significant affect, on the debt and financial obligation limit prescribed under Ontario Regulation 799/94, as amended.
- 1.37 Minor Irregularity** – is a deviation from the bid request, which affects form, rather than substance. The effect on the price, quality, quantity or delivery is not material to the award. If the deviation is permitted or corrected, the bidder would not gain an unfair advantage over competitors. The Purchasing Manager may permit the bidder to correct a minor irregularity.
- 1.38 Municipality** – means the Corporation of the City of Pembroke.
- 1.39 Negotiation** – means the action or process of conferring with one or more vendors leading to an agreement on the acquisition of the required goods and services under the conditions outlined in this Policy.
- 1.40 Open Market Procedure** – means obtaining price quotations from vendors verbally or in writing.
- 1.41 Pre-Qualification (Request for Pre-Qualification/RFPQ)** - means a request with specific qualification criteria which will be used to identify and pre-select vendors; Criteria must be clearly established and verified prior to bidding, and may include, but are not limited to, experience, financial strength, background, and qualifications.
- 1.42 Procure/Procurement/Purchase** – means to acquire by purchase, rental or lease of goods and service.
- 1.43 Professional and Consulting Services** – includes architects, auditors, engineers, designers, planners, surveyors, management and financial consultants, brokers, legal services, and any other professional and consulting services rendered on behalf of the Municipality.
- 1.44 Proposal (Request for Proposal/RFP)** – means an offer to provide goods or services to the Municipality, where it is not practical to prepare precise specifications, or where “alternatives” to detailed specifications will be considered, which may be subject to further negotiation. This process allows vendors to propose solutions to arrive at the end products, and allows for evaluation on criteria other than price.

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- 1.45 Purchase Order** – means a written offer to purchase goods and services or a written acceptance of an offer where such offer has been made on forms prescribed by the Municipality.
- 1.46 Purchase Requisition** – means a request for goods and/or services initiated by the user for which budget approval has been granted and sent to the Purchasing Department for action.
- 1.47 Purchasing Manager** – means the Deputy Treasurer for the City of Pembroke and is responsible for the Municipality’s purchasing function and is hereby authorized to act as agent in such matters pertaining thereto.
- 1.48 Quotation (Request for Quotation/RFQ)** – means an offer to sell goods and services to the Municipality or an offer to purchase surplus goods from the Municipality.
- 1.49 Real Property** – means land or buildings and any interest, estate or right of easement affecting same.
- 1.50 Responsive and Responsible Vendor** – means one who complies with the provisions of the Bid Solicitation, including specifications, contractual terms and conditions, and who can reasonably be expected to provide satisfactory performance on the proposed contract based on financial resources, organization/plant/equipment, managerial and technical personnel, experience on similar types of contracts, record on previous projects with the City, and references from previous purchasers/owners.
- 1.51 Request for Information (RFI)** – means a request which will be used as a general market research tool to determine what goods and/or services are available which will meet business or operational requirements and acquisition strategies and/or to estimate project costs for the purpose of developing a Bid Request.
- 1.52 Single Source** – means there is more than one source in the open market but only for reasons of function or service one vendor is recommended for consideration of the particular goods and/or services.
- 1.53 Sole Source** – means that a good or service is unique to a particular vendor and cannot be obtained from another source.
- 1.54 Manager/Supervisor/Superintendent** – is defined as, and applies to, any employee who has been designated by the employer as one who directs a group or section and the employees within that group or section.
- 1.55 Surety** – means a specified dollar amount in the form of cash, certified cheque, bid bond, performance bond, labour and materials bond, letter of credit or any other form as deemed necessary and stated in any quotation, tender or proposal documents issued by the Municipality.



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- 1.56 Tender (Request for Tender/RFT)** – means a tender offer received by the Municipality from a supplier of goods and/or services, or an offer to purchase surplus goods from the Municipality, in response to a public advertisement requesting tenders sealed in an envelope. See Section 2 for further information.
- 1.57 Treasurer** – is the Treasurer for the City of Pembroke.
- 1.58 Two-Envelope Process** – means a submission in response to a Request for Proposal where two separate envelopes are submitted, with technical and qualitative information shown in the first envelope and the bid price in the second. This approach is used to evaluate the technical and qualitative information of a given proposal without being influenced by prior knowledge of the corresponding pricing information.
- 1.59 Unsolicited Proposal** – means an offer to supply a good or service which was not requested.
- 1.60 Verbal Quotation** – means the requisitioning department/section will receive pricing via telephone or in person, and will retain written documentation of the conversation and document the information on the “purchase requisition form”.

## **Section II – Procurement Policy**

### **2.1 Legislative Authority**

The Municipal Act, 2001 Part VI, Section 270, as amended states that a municipality and a local board shall adopt policies with respect to its procurement of goods and services.

### **2.2 Procurement Principles and Goals**

- a) to procure by purchase, rental or lease the required quality and quantity of goods and/or services, including professional and consulting services in an efficient, timely and cost effective manner;
- b) to encourage open competitive bidding for the acquisition and disposal of goods and services where practicable;
- c) to consider all costs, including, but not limited to, acquisition, operating, life-cycle, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs, in evaluating bid submissions from qualified, responsive and responsible vendors;
- d) to give full consideration to the annual aggregate value or to consider the total project cost of specific goods and services that will be required by each department and by the Municipality as a whole prior to determining the appropriate acquisition method;
- e) to co-ordinate purchases on a municipal-wide basis when appropriate in order to obtain available volume discounts and best possible price;
- f) to ensure the acquisition of goods and services is conducted in an unbiased way not influenced by personal preferences, prejudices or interpretations;
- g) to monitor and report on the economic climate and legislative changes which may have an impact on the City of Pembroke and to determine the appropriate actions to be taken through purchasing policies and procedures;
- h) to encourage the procurement of goods and services with due regard to the preservation of the environment by including environmental considerations in bid solicitation requirements as applicable. To purchase environmentally preferable goods and services where value for money is demonstrated, striking an appropriate balance of many factors, such as cost, performance, availability, quality and environmental performance. Environmentally preferable goods contribute to environmental objectives, such as:
  - reducing greenhouse gas emissions and air contaminants;
  - improving energy and water efficiency;

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- reducing ozone depleting substances;
  - reducing waste and supporting reuse and recycling;
  - reducing hazardous waste;
  - reducing toxic and hazardous chemicals and substances; and
  - supporting biodiversity;
- i) to ensure equality among vendors by promoting fair, open competition for all, the City will follow the Discriminatory Business Practices Act, R.S.O. 1990, Chapter D12, with competition based on their ability to provide maximum value to the City for the disbursement of public funds; The purpose and intent of this Act is to prevent discrimination in Ontario on the ground of race, creed, colour, nationality, ancestry, place of origin, sex or geographical location of persons employed in or engaging in business.
- j) to promote, and incorporate, wherever possible, the requirements of O.Reg 191/11: Integrated Accessibility Standards under Accessibility for Ontarians with Disabilities Act, 2005, (AODA), in procurement activities of the City, and in cases where it is deemed not practicable to incorporate accessibility criteria features in procurement activities, an explanation shall be provided upon request. The City strives to prevent and remove barriers for people with disabilities to enable equal opportunities.
- k) To avoid real and perceived conflicts of interest between the interests of the Corporation and those of the Corporation's employees and elected officials to ensure a fair and equitable procurement process.
- l) Ensure compliance with all legislative requirements and relevant trade agreements, including, without limitation, the Comprehensive Economic Trade Agreement (CETA) and Canadian Free Trade Agreement (CFTA) and any amendments to them or successor agreements which may bind the Corporation. Where an applicable national or international trade agreement is in direct conflict with this Policy for which the City may be subject to, the trade agreement shall take precedence;
- m) to keep all pertinent records for legal and audit purposes and in accordance with the City's records retention bylaw;
- n) to promote and maintain the integrity of the purchasing process and protect Council, staff and vendors involved in the process, by providing clear direction and accountabilities; and

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- o) to review the Procurement Policy every 5 years or earlier if deemed by the Municipality, to evaluate its effectiveness.

**2.3 Objectives**

- a) Maximum value for dollars spent and minimum employee effort expended.
- b) Improved service and support.
- c) Sound inventory management.
- d) Economic quantity of purchased materials, suitability for intended use.
- e) Efficient delivery of purchased materials.
- f) Ensure fairness of competition for vendors and suppliers.
- g) Advance the protection of the environment and support sustainable development by integrating environmental performance considerations into the procurement decision making process.

**2.4 Application**

The policies and procedures contained herein shall apply to all employees of The Corporation of the City of Pembroke and those Boards and Commissions that fall under the Municipal Act.

**2.5 Interpretation/Designate**

- a) In the absence of the Purchasing Manager, the Treasurer shall act as the authorized designate in the interpretation of this Policy.
- b) Where the Department Head is authorized to undertake any act pursuant to this Policy, such act may be undertaken by the Department Head's authorized designate.

**2.6 Authority**

The authority for municipal purchasing for the Corporation of the City of Pembroke is governed by the Procurement Policy and Procedures Manual adopted by City Council under **By-Law 2024-31 passed and effective May 7, 2024**, which establishes policies for the purchase of Goods and Services and the procedures to be followed in the procurement of those Goods and Services.

The Corporation of the City of Pembroke has, by the authority of Council, designated the Purchasing Manager to oversee municipal purchasing, reporting directly to the Treasurer/Deputy Clerk.

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**2.7 Purchasing Manager Responsibilities**

The Purchasing Manager is responsible for:

- a) the management, organization and administration of a city-wide, municipal purchasing function, as well as developing related policies and procedures for recommendation.
- b) preparing, issuing and receiving Requests for Proposals, Tenders, Quotations and Inquiries for goods and services, and for arranging the disposal of surplus goods in an accurate and timely manner.
- c) along with empowered employees as provided in this Policy, the purchase and distribution of goods and services required by the Corporation.
- d) the correlation and unification, so far as possible, the requirements of the various departments of the municipality, and by standardization, the reduction of the kinds of goods used by the municipality to the smallest quantity consistent with the needs of the various departments of the municipality. This program shall be a joint enterprise among the various departments of the municipality, with the Purchasing Manager having the responsibility of putting the program into effect.

This will also apply to the purchase of goods and services obtained through the efforts of any "Group" purchasing endeavour in which the City has membership or participation.

**2.8 Director/Department Head Responsibilities**

The Director/Department Head is responsible for:

- a) Procurement activities within their departments and are accountable for determining and achieving specific objectives as outlined for each procurement project.
- b) Awarding contracts in the circumstances specified in this Policy provided that the delegated power is exercised within the limits prescribed in this Policy, and the requirements of this Policy are met.

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- c) Advising the Purchasing Manager of departmental procurement plans and specific upcoming procurements including attempts to determine the amount of time which is sufficient to complete the procurement as may be stipulated in the procurement policies or procurement procedures.
- d) Monitoring all contract expenditures to ensure compliance with financial limits.
- e) In consultation with the Chief Administrative Officer, informing Council that non-compliance with this Policy has occurred.
- f) Not awarding a contract where the Purchasing Manager has determined that the provisions of this Policy have not been adhered to and has so advised the Department Head.

**2.9 Other Responsibilities and Authorities**

- a) The CAO/Treasurer has the authority to instruct a Director/Department Head not to award a contract and may direct staff to submit recommendations to Council for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interests of the Municipality.
- b) The CAO or Director/Department Head is required to forward to the Purchasing Manager, a copy of all legally executed contracts relating to the procurement of goods and services.
- c) The Purchasing Manager or any other empowered employee of the City shall not order goods or services, the purchase of which have not been provided for in current budget estimates or which exceed budget and budget authorities as detailed in this policy, except when a good or service is considered an emergency, and in such case, the Purchasing Manager shall notify the respective Department Head and the Chief Administrative Officer.
- d) Prior to awarding RFTs, RFQs or RFPs, the user department will forward recommendations to the Purchasing Manager for final review and comments.
- e) No employee or elected official shall purchase or offer to purchase, on behalf of the Municipality, any goods and services, except in accordance with this Policy.
- f) Any employee who intentionally and knowingly acquires or disposes of any goods and services for the Municipality in contravention of any section of this Policy, as amended from time to time, shall be subject to disciplinary actions in accordance with Municipal policies.
- g) No requirement for goods and services may be divided into two or more parts

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to avoid the application of the provisions of this Policy

- h) The Purchasing Manager shall, in conjunction with the Director/Department Head, reject all purchase requisitions for services where the services could result in the establishment of an employee-employer relationship.

**2.10 Consulting Firm Responsibilities**

Should the City deem it advantageous to engage the services of a consultant in the bidding process, the Department must ensure the consultant is aware of and follows the City of Pembroke's Purchasing Policies and Procedures.

Consultants are to provide a copy of any documentation being issued in the City's name, to the Purchasing Manager prior to issuance.

**2.11 Financial Accountability and Budget Authority**

- a) No expenditure or commitment shall be incurred or made, and no account shall be paid unless approved in the annual budget or authorized by Council. Where this Policy prescribes dollar limits, the contract amount shall be the estimated total acquisition exclusive of taxes and less any rebates.
- b) Net Departmental expenditures are authorized by Council each year as part of either the Operating or Capital Budget process.
- c) The exercise of authority to award a contract is subject to the identification and availability of sufficient funds in appropriate accounts within the Council approved Operating and Capital Budgets.
- d) Where a requirement exists to initiate a project for which goods, services or construction are required and funds are not contained in appropriate accounts within the Council approved budgets to meet the proposed expenditure-- subject to the budget authorities listed below--the Director/Department Head shall, prior to the commencement of the purchasing process, submit a report to Council containing information surrounding the requirement to contract, the terms of reference to be provided in the contract, and information on the availability of funds within existing budgets, which were originally approved by Council for other purposes, or on the requirement of additional funds.

**2.12 Operating Budget Authority**

- a) Prior to budget approval, Department Heads can authorize and approve recurring expenditures which are necessary in the continuity of operations within the City up to 50% of the previous year's approved Operating Budget. Department Heads are not authorized to overrun net departmental operating budgets, except in accordance with this Policy.

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- b) Where goods and services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to:
  - (i) the identification and availability of sufficient funds in appropriate accounts for the current year within Council approved estimates; and
  - (ii) the requirement for the goods or services will continue to exist in subsequent years and, in the opinion of the Treasurer, the required funding can reasonably be expected to be made available.
- c) Directors/Department Heads are responsible for managing within their existing net operating budget. Council-approved budgets are not to be reallocated to compensate for existing over-expenditures. Actual line-item costs for specific object codes/cost categories within a department may exceed their line-item budget on a case-by-case basis with Department Head approval provided that these minor fluctuations do not exceed the department's net operating budget or significantly impact the current objectives, goals and service levels of the specific department.

**2.13 Capital Budget Authority**

- a) The Capital Budget approved by Council establishes the scope, funding and spending authority for each Capital Project listed in the Capital Budget document. Directors/Department Heads do not have the authority to exceed the budget approved for a capital project. The CAO and Treasurer may authorize additional gross expenditures where the costs for a capital project exceed the original project budget by no more than 15% of the of the council-approved project budget to a maximum of \$75,000 and
  - Funding is available to fund the over-expenditure, either from under-expenditures in other capital projects within the same Department or by deferral of other capital projects within the same Department; and
  - The Treasurer has certified that there is sufficient appropriate financing available for the capital project including types of funding.
- b) A report to Council for information purposes must be produced at the end of each quarter for any excess Capital Funds that are transferred to other already approved Capital projects.
- c) Under no circumstances should excess Capital funds be allocated to new Capital projects without the consent of Council.



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**2.14 Purchasing Authority Management**

- a) The Purchasing Manager may reject all purchase requests for which sufficient funds are not available and identified. If the Department Head advises the Purchasing Manager in writing that the deficiency is minimal and alternative funding has been identified, the purchase request may proceed provided appropriate authorizations are met in accordance with this Policy.
- b) The Department Head will co-ordinate with the Purchasing Manager and Treasurer all leasing requirements including term capitalization rate, lease versus buy analysis, etc. The Treasurer will ensure that all lease commitments comply with Municipal Act 2001 as amended and regulations made there under using the following policy direction:

Leasing Financing Policy and Goals: When considering a lease financing agreement, the Procurement Principles and Goals as per section 2.2 of this policy must be considered and evaluated to ensure the City receives quality, service level and best value for dollar.

Where a Material Lease is being considered, the Purchasing Manager must present a report to Council which evaluates the financial costs and potential risks of the lease including, must not limited to, interest rate risk, risk of obsolescence and residual value, in addition to obtaining legal advice as may be required.

- c) Where this Policy identifies delegated authority limits for contract awards for the purpose of determining whether a contract falls within these prescribed limits, the contract amount shall be the sum of all costs to be paid to the supplier under the contract, excluding taxes.

**2.15 Prescribed Council Approval**

Despite any other provision of this by-law, the following contracts are subject to Council approval:

- a) any contract requiring approval from the Ontario Municipal Board,
- b) any contract prescribed by Statute to be made by Council,
- c) where the Procurement Policy is being waived,
- d) where the proposed cost exceeds staff budget authority thresholds or is not in the Council-approved budget;
- e) Where a recommendation is being made to amend the total value of a contract for a capital project in excess of the original bid (plus contingency), and:

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- i. It is an amount greater than 15% or \$75,000; and
  - ii. In the opinion of the City Treasurer, funds are not available for the additional expenditure.
- f) where a substantive objection emanating from the Bid Solicitation has been filed with the Purchasing Manager, Department Head or CAO,
- g) where a major irregularity precludes the award of a tender to the supplier submitting the lowest bid, the award to the lowest responsive bid shall be supported and approved via a report to Council.

**2.16 Expenditure Authority and Source Selection Methods**

- a) Where the required product or service can be specified (and such goods and services are not stocked in the central stores) a Purchase Requisition may be required to initiate the process of Source Selection.
- b) Determination of Source Selection shall be based on the estimated value of the goods and services to be procured, including delivery charges, less any rebates (see Appendix C);
- c) Sales taxes, excise taxes, value added taxes shall be excluded in determining the procurement limit of Authorized Delegates and the type of procurement process to be followed.
- d) A Purchase Order must be issued for all expenditures (see Appendix B for Exemptions to this requirement), and the Purchasing Manager shall ensure that a legally binding agreement is executed by the Mayor and CAO for those expenditures awarded by Committee and Council.
- e) No requirements may be divided into two or more parts to avoid the application of the provisions of this policy.
- f) Only those members of staff indicated below have the authority to procure goods or services within the limits set out in the chart below. Delegations by the Department Head in accordance with this chart must be communicated to the Treasurer in writing detailing the extent of delegation (full or restricted authority) for each position and each type of spending and financial authority. Individuals with delegated authority are not permitted to sub-delegate this authority to others. Directors/Department Heads delegating limits must complete the Attached Appendix D.

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<b>Expenditure before taxes: Greater than</b>	<b>Expenditure before taxes: Less than = to</b>	<b>Authority</b>	<b>Source Selection</b>
\$0.00	\$5,000	Supervisor as Delegated by Department Head	Direct Acquisition
\$5,000	\$10,000	Manager/Clerk/Superintendent as Delegated by Department Head, Department Head	Min. 2-3 informal quotes
\$10,000	\$50,000	Department Head	Min. 2-3 informal quotes or RFQ
\$50,000	\$250,000	Department Head with CAO Approval	RFT/RFP
\$250,000	\$500,000	Department Head with CAO Approval (if a min. of 3 bids are not obtained, Committee approval is required)	Min. 3 bids RFT/RFP
\$500,000	Over \$500,000	Committee Recommendation (to be forwarded to Council for Approval)	RFT/RFP

- g) An Information Report to Council shall be prepared by the Purchasing Manager on a monthly basis for all procurement exceeding \$50,000.

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**2.17 Methods of Procurement**

a) (i) Low Value Procurement (Direct Acquisition)

Used when goods or services are expected to cost \$1,500 or less, are required on a one-time (non-repetitive) basis, and the end user of the goods and services has identified a clear or single solution. Experience or price comparison may be sought from known suppliers; price is the primary factor and is usually not negotiated. Purchase of goods shall be by petty cash, limited purchase order, Blanket/Standing Order, or City credit card. Vendor invoices shall be approved by a Department Head or delegated to their Manager/Superintendent/Supervisor/Clerk at the discretion of the Department Head.

- (ii) Used when goods or services are expected to cost more than \$1,500 but less than \$5,000, are required on a one-time (non-repetitive) basis, and the end user of the goods and services has identified a clear or single solution. Experience or price comparison may be sought from known suppliers; price is the primary factor and is usually not negotiated. Purchase of goods shall be by limited purchase order. At the discretion of the Manager/Clerk and/or Departments Heads, additional quotes may be obtained should they feel that they are not receiving a reasonable price for the goods and services. Vendor invoices must be approved by the Department Head or delegated to their Manager/Superintendent/Supervisor/Clerk at the discretion of the Department Head.

b) Informal Procurement Through Quotation

Used when goods or services are expected to cost more than \$5,000 but less than or equal to \$25,000, are required on a one-time (non-repetitive) basis, and the end user of the good or service has identified a clear or single solution. Price comparison shall be sought, where practicable; price is the primary factor and may be negotiated.

- (i) The requesting department shall obtain two to three informal quotes, where practicable, through phone, supplier advertisements, supplier catalogues or other similar communication methods. The Department Head of the requesting department shall prepare a purchase requisition, with results of price comparisons attached, and forward to the Purchasing Department in which a purchase order is supplied directly to the lowest priced supplier. Vendor invoices over \$10,000 must be approved by the Department Head. Vendor invoices under \$10,000 must be approved by the Department Head or delegated to their Manager/Superintendent/Supervisor/Clerk at the discretion of the Department Head. Form of contract is a Purchase Order, Blanket/Standing Order or Agreement.

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Dollar Threshold Greater than \$25,000

Where appropriate and agreed upon between the Purchasing Manager and Department Head, procurement may be carried out through one of the following bid solicitations when the value of the goods and/or services is expected to exceed \$25,000.

(i) Request for Formal Quotations (RFQ)

An effective, objective, fair, open, transparent, accountable and efficient process designed to obtain competitive bids from a predetermined list of suppliers, as determined by the Department Head and Purchasing Manager, based on precisely defined requirements for which a clear or single solution exists and where the value is expected to exceed \$25,000 and be less than or equal to \$50,000. There may be requirements estimated at \$50,000 or less where, at the discretion of the Purchasing Manager and the Department Head, it will be more appropriate to solicit bids using a Request for Tenders. RFQs may be issued for goods with an expected value less than \$25,000 at the discretion of the Purchasing Manager.

Features of this process:

- The Purchasing Manager, in consultation with the Department Head, shall issue the Request for Quotation.
- It is a sealed bid process.
- A bid deposit is required unless the Purchasing Manager has determined it is in the City's best interest not to request bid deposit.
- The bid deposit must be at least 10% of the bid price before taxes unless the Purchasing Manager has deemed it to be in the City's best interest to be some other value.
- Some form of Surety may be requested to be provided by the successful bidder.
- The Request for Formal Quotations may be preceded by a Request for Pre-Qualifications or an Expression of Interest.
- The Request for Formal Quotations is sent to at least three suppliers, where practicable, from a predetermined list but may be supplemented by advertisement placed on City's website and/or relevant media as applicable.
- Where advertisement has been placed for the Request for Formal

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Quotations on the City's website and/or relevant media as applicable, and a bidder has requested the bid documents, the bid documents will be available electronically free of charge. For physical/hard copy packages of the bid document a \$10.00 plus HST fee will be charged to the requested bidder.

- Formal Quotations require a reply by a designated date and time.
- There is a Public Opening to read out the names of the Bidders and the total price excluding applicable taxes. No other information will be released at that time. Where subtotals are required, they may also be read out, at the option of the City, but line by line pricing will not be made public.
- Any requested bid deposits, security or bonds must be included with the submission.
- Bids are to be signed by a Corporate Officer, authorized to bind the Corporation.
- If only one bid is received, the Purchasing Manager, in consultation with the Department Head, may exercise the right to cancel the call for quotations.
- The Quotation is typically awarded to the lowest priced bidder who satisfies all specifications/requirements included in the Request for Quotations.
- Department Head approval required.

Form of contract is a Purchase Order, Blanket/Standing Order or Agreement.

### (ii) Request for Tenders (RFT)

An effective, objective, fair, open, transparent, accountable and efficient process designed to obtain competitive bids based on precisely defined requirements for which a clear or single solution exists and where the value is expected to exceed \$50,000.

Features of this process:

- The Purchasing Manager, in consultation with the Department Head, shall issue the Request for Tenders.
- It is a sealed bid process.

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- A bid deposit is required unless the Purchasing Manager has determined it is in the City's best interest not to request a bid deposit as part of the procurement process and has excluded this requirement from the RFT document.
- The bid deposit must be at least 10% of the bid price before taxes unless the Purchasing Manager has deemed it to be in the City's best interest to be some other value.
- Some form of Surety may be requested to be provided by the successful bidder.
- The Request for Tenders may be preceded by a Request for Pre-Qualifications or an Expression of Interest.
- Advertisement is placed on City's website and/or relevant media as applicable.
- Bid documents will be available free of charge electronically. For physical/hard copy packages of the bid document a \$10.00 plus HST fee will be charged to the requested bidder.
- Tenders require a reply by a designated date and time.
- There is a Public Opening to read out the names of the Bidders and the total price excluding applicable taxes. No other information will be released at that time. Where subtotals are required, they may also be read out, at the option of the City, but line by line pricing will not be made public.
- Any requested bid deposits, security or bonds must be included with the submission.
- Bids are to be signed by a Corporate Officer, authorized to bind the Corporation.
- If only one bid is received, the Purchasing Manager, in consultation with the Department Head, may exercise the right to cancel the call for tender.
- The Tender is awarded to the lowest priced bidder provided the City is satisfied in all respects with respect to the tender submitted otherwise, including specifications/requirements as applicable.
- For tenders \$50,000 up to \$250,000, both Department Head and CAO approval is required where funds to procure the goods and services have been previously approved through the budget

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process.

- For tenders \$250,001 up to \$500,000 where a minimum of three bids has been received, both Department Head and CAO approval is required where funds to procure the goods and services have been previously approved through the budget process. A minimum of three bids ensures a fair and reasonable procurement. If three bids have not been obtained, Committee approval will be required.
- For tenders exceeding \$500,001, a report initiated by the issuing Department Head shall be reviewed by the Purchasing Manager prior to Committee consideration, approval, and recommendation to Council for approval.

Form of contract is a Purchase Order, Blanket/Standing Order or Agreement.

(iii) Request for Proposals (RFP)

An effective, objective, fair, open, transparent, accountable and efficient process designed to allow for the submission of solutions to meet broad outcomes to a complex problem or need for which there is no clear or simple solution, or it has been determined by the Purchasing Manager, in consultation with a Department Head, other criteria besides price should be evaluated, and where the value is expected to exceed \$50,000.

Features of this process:

- The Purchasing Manager, in consultation with the Department Head, shall issue the Request for Proposals.
- It is a sealed bid process.
- A bid deposit may be required at the discretion of the Purchasing Manager.
- The Request for Proposals may be preceded by a Request for Pre-Qualification or an Expression of Interest.
- Advertisement is placed on the City's web page and/or relevant media as applicable.
- Bid documents will be available free of charge electronically. For physical/hard copy packages of the bid document a \$10.00 plus HST fee will be charged to the requested bidder.



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- Proposals require a reply by a designated date and time.
- Not formally opened in public as only the names of Proponents are recorded at the opening.
- If only one proposal is received, the Purchasing Manager, in consultation with the Department Head, may exercise the right to cancel the call for proposals.
- Negotiation with Proponents after submission and before award is acceptable as specifically specified in the RFP document.
- The Request for Proposal process is designed to select the proposal that earns the highest score in accordance with the Evaluation Criteria.
- A two-envelope process may be implemented where the Purchasing Manager, in consultation with the Department Head, deems it to be appropriate.
- The Evaluation Criteria are clearly identified in the Request for Proposal document when possible.
- An Evaluation Committee shall evaluate each proposal.
- For proposals \$250,001 up to \$500,000, where three bids have been received, both Department Head and CAO approval is required where funds to procure the goods and services have been previously approved through the budget process. A minimum of three bids ensures a fair and reasonable procurement. If three bids have not been obtained, Committee approval will be required.
- For proposals exceeding \$500,001, a report initiated by the issuing Department Head shall be reviewed by the Purchasing Manager prior to Committee consideration, approval, and recommendation to Council for approval.

Form of contract is a Purchase Order, Blanket/Standing Order or Agreement.

c) Expression of Interest and/or Pre-Qualification of Bidders

The purpose of this process is to ensure that each bidder can demonstrate they have the ability to provide the necessary expertise and resources to satisfactorily complete the work required, and it is used on occasions where it is deemed by the Purchasing Manager, in consultation with the originating Department Head, to be necessary prior to the commencement of a

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competitive sealed bid process. Pre-qualification shall only be considered in one or more of the following circumstances:

- (i) The work involves complex, multi-disciplinary activities, specialized expertise, equipment, materials or financial requirements.
- (ii) The work is such that Contract Administration costs (work inspection, follow-up, and extra fee negotiations) could result in a substantial cost to the City if the work is not satisfactorily performed the first time.
- (iii) The goods or services to be purchased must meet national safety standards, or if no standard has been established, require a demonstrated acceptable level of performance.
- (iv) The work is considered “high risk” with respect to regulations governed under the Occupational Health and Safety.
- (v) Where it is felt limiting the number of bidders who can submit a bid for the final competitive Bid Solicitation process will increase the quality of bids submitted by each, as they know competition has been limited and their chances of success are increased.

Pre-qualification involves a two-step process, where a Bid Solicitation process will follow. Pre-qualification is the first step, and sets out criteria requiring bidders to provide information including, but not limited to:

- (i) Experience on similar work,
- (ii) References provided from other customers for similar work,
- (iii) Verification of applicable licenses and certificates,
- (iv) Health and Safety policies and staff training, and
- (v) Financial capability.

Appropriate staff and/or consultants will evaluate, rank the submissions and approve a short list of acceptable suppliers who will be invited to participate in the subsequent procurement process.

d) Request for Information

Used to build supplier interest and to see if there are enough suppliers to justify a full Bid Solicitation process. The Request for Information may request detailed information including, but not limited to, company background, who the interested parties are, what they can offer and what they can do for the City

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**2.18 Specifications**

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

**2.19 Request for Vendor Input**

- a) A potential or existing supplier may provide technical assistance free of charge in developing procurement specifications or requirements. However, the City may not accept a bid or proposal or award a contract to a supplier who received compensation from the City to provide assistance in the preparation of the specifications on which the solicitation or contract is based.
- b) A supplier who assists the City in developing specifications or requirements may not disclose, to any potential supplier who plans to submit a bid or proposal, information concerning the procurement which is not available to the public. In addition, the supplier who provided such development services for payment may not be a subcontractor or partner for the supplier who is awarded the contract or any of that supplier's subcontractors or partners at the City's option, taking into consideration the magnitude of services to be provided and the scope/scale of the potential conflict of interest.
- c) Any independent contractor employed or otherwise paid by the City to design a project, develop a scope of work, write specifications, or otherwise define contract requirements is also not eligible to compete for or receive the resulting contract.
- d) Any detailed specifications developed as a result of the assistance, whether compensation was provided or not, shall become the property of the City.

**2.20 Standardization**

It will be the policy of the City of Pembroke wherever possible, to standardize the procurement of goods and services to allow for:

- a) reduced number of goods and services required;
- b) maximizing volume buying opportunities;

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- c) providing economies of scale;
- d) reduced handling, training and storage costs;
- e) minimizing maintenance costs;
- f) co-operative purchasing activities;
- g) competitive bid results; and,
- h) reduced overall cost.

**2.21 Salespersons/Vendors**

The Purchasing Department shall maintain a database of potential vendors. The onus is on the vendor to supply the Corporation with their company information including the categories of goods and services supplied. The Corporation will do its best to notify all potential vendors of bid opportunities but will not be responsible for vendors inadvertently missed.

**2.22 Receipt of Physical Bids**

All sealed bids received in response to Bid Solicitations shall be received by the Purchasing Manager, in accordance with the instructions in the Bid Solicitation, and opened in public, where applicable, at the time and place stated in the Bid Solicitation. Each sealed bid submission will be confirmed by the City of Pembroke time clock stamp upon receipt, and this shall be considered the time of receipt for the purpose of determining bid irregularity (1.) "late bids". Sealed bids will only be accepted from individuals/companies on the list of bidders that have formally requested and received the bid document directly from authorized personnel from the City or a consultant acting on behalf of the City. The Purchasing Manager shall ensure all sealed bids are stored in a secure location. The number of bids received and the name of the bidders is confidential and must not be divulged prior to the tender opening, except in the case of construction requests for tenders where sub-trades may need to know what general contractors have picked up tender drawings.

**2.23 Receipt of Electronic Bids**

All electronic bids received in response to Bid Solicitations shall be received by the Purchasing Manager, in accordance with the instructions in the Bid Solicitation, and opened in public, where applicable, at the time and place stated in the Bid Solicitation. Each electronic bid submission will be confirmed by the time of receipt to the City email address provided, and this shall be considered the time of receipt for the purpose of determining bid irregularity (1.) "late bids". Electronic bids will only be accepted from individuals/companies on the list of bidders that have formally requested and received the bid document directly from

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authorized personnel from the City or a consultant acting on behalf of the City. The Purchasing Manager shall ensure all electronic bids are stored in a secure electronic location. The number of bids received and the name of the bidders is confidential and must not be divulged prior to the tender opening, except in the case of construction requests for tenders where sub-trades may need to know what general contractors have picked up tender drawings.

**2.24 Bids with Equal Total Prices**

If two low Bids are found to be equal in price, quality and service, the equal bidders will be given 48 hours to re-submit. If a tie still exists, the successful bidder shall be determined by a coin toss. The coin toss shall be performed by the Purchasing Manager in the presence of a representative of the initiating Department.

**2.25 Invited Bids Addendum Through Formal Process**

In no instance shall anyone, except the Purchasing Manager or his designate, issue any verbal or written changes on an invited bid, with regards to conditions or specifications. All changes must be done through addendum issued with the approval of the Purchasing Manager.

**2.26 Acceptance of Invited Bids**

The lowest or any bid will not necessarily be accepted. The Corporation of the City of Pembroke reserves the right to reject any or all bids, or to award the Contract to other than the bidder submitting the lowest bid. The City may take into account any elements or any information contained in the bid, any criteria or other information required to be submitted in the bid or disclosed under the terms of the bid or requests for bids and the references of any bidder and any other factor which it deems relevant and which forms any part of any proposal directly or implicitly of any bid.

**2.27 Cancellation of a Bid Solicitation**

- a) A Department Head may cancel a Bid Solicitation at any time.
- b) The Department Head shall ensure that the confidentiality of any bid submitted is maintained in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, as amended.

**2.28 Bid Irregularities**

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

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For the purpose of this policy, bid irregularities are further classified as “major irregularities” or “minor irregularities”.

Please refer to Appendix A- Bid Irregularities for instances where an Invited Bid shall be rejected as unacceptable

**2.29 Contract Administration**

- a) It shall be the responsibility of the user department to enforce the contract terms, conditions and specifications. Where these terms are not being adhered to, the user department shall report the situation to the Purchasing Department for future reference.
- b) If, in some instances, the user department wishes the Purchasing Department to enforce the terms, conditions and specifications, that department must advise the Purchasing Department, in writing, prior to the issuance of City documentation to the vendors.

**2.30 Blackout Period**

- a) From the time a procurement document is issued until the time a contract is signed by the City and the awarded Bidder, Bidders must conduct all communication about the procurement only with the designated City procurement representative stated in the procurement document.
- b) Any communication initiated by a Bidder to elected officials or staff of the City other than to the designated City procurement representative during this “Blackout Period” will constitute grounds for disqualifying the offending Bidder from the procurement process.
- c) Any elected official or other City staff that is approached by a Bidder shall refer the Bidder to the designated City procurement representative for the Bid opportunity.

**2.31 Lobbying Prohibited**

If any director, officer, employee, agent or other representative of a Bidder, including any other parties that may be involved in a joint venture, consortium or similar business relationship with the Bidder, makes, from the time the procurement is released, any representation or solicitation to any elected representative or employee or agent of the City including project consultants, or to the media, with respect to the Bidder’s bid, the City will be entitled to reject the Bid.

**2.32 Separation of Roles and the Role of the Governing Body**

To avoid the potential appearance of bias or political influence in procurement

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contract award decisions, members of Council shall have no involvement whatsoever in any competitive procurement processes, except where Council is required to approve the contract award in accordance with this policy. Members of Council should not see any documents or receive any information related to a particular bid solicitation while the procurement process is ongoing.

**2.33 Contractor's Rating**

The Department Head shall document evidence and advise the Purchasing Manager and CAO in writing no later than 30 days from substantial completion where appropriate or within 30 days of the final payment to the vendor, where the performance of a supplier has been unsatisfactory in terms of failure to meet contract specifications, terms and conditions or for Health and Safety violations.

Council may prohibit an unsatisfactory supplier from bidding on future contracts.

**2.34 Contractor Integrity**

The Municipality may reject Bids and/or terminate existing Contracts for reasons including but not limited to circumstances where:

- a) A Bidder/Contractor has been suspected based on reasonable, objective evidence or convicted of corruption, collusion, bid-rigging, and/or any other anticompetitive activity or any other offence under the Criminal Code.
- b) The City is likely to incur increased legal costs in the administration of the Contract if it is awarded to the Bidder;
- c) A bidder has failed to satisfy an outstanding debt to the City; and/or
- d) There are reasonable grounds based on sound objective evidence to believe it would not be in the best interest of the City to enter into a Contract with the Bidder.
- e) Notwithstanding the foregoing, in cases where the basis for rejection or termination as set out above is with respect to an individual who is currently an owner or member of the board of directors of the Contractor, and the individual resigns or is dismissed within a reasonable period of time, the City may continue to award the Contract with heightened scrutiny.

**2.35 Non-Competitive Purchase - Single Source**

The purchase of a good or service by negotiation through a particular vendor rather than through the solicitation of bids from other vendors who can provide the same good or service, may be adopted, if in the judgement of the Purchasing Manager and in consultation with the requisitioning Department Head and CAO, as applicable, any of the following conditions apply and provided that the single

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sourcing would not be in conflict with any Free Trade Agreement or other legal obligations:

- a) goods and services are in short supply due to market conditions;
- b) there is documented evidence that the extension or reinstatement of an existing contract would prove most cost effective or beneficial (new contract cost or unit pricing cannot be more than 10% of the original contract);
- c) where an existing contract has expired or will expire shortly and unforeseeable circumstances have caused a delay in issuing a new procurement so that a contract extension is required;
- d) work is required at another location and a contractor has already been secured through a tender process, with established unit prices and it is considered to be beneficial and cost effective to extend the unit prices for the work to be completed on a similar job;
- e) where carrying out of the work by a contractor other than the contractor who did the original work would nullify the warranty or guarantee held;
- f) it is necessary to arrange interim contractual arrangements following the expiration or breach of a contract;
- g) an item or service is purchased for testing or trial use;
- h) a product is leased or rented by the City with or without a credit purchase option, and such purchase option would be beneficial to the City;
- i) when only one bid/proposal is received through the procurement process and it is impractical to recall the requirements of the call for quotations, tenders or proposals;
- j) when no bids were received in a competitive process;
- k) specific standards are adopted by Council;
- l) where goods or consulting services regarding matters of confidential or privileged nature are to be purchased and the disclosure of those matters through an open competitive process could reasonably be expected to compromise confidentiality, cause economic disruption or otherwise be contrary to public interest; or
- m) where the item or service to be purchased is offered by a corporation for which the City is a shareholder.

**NOTE:** Single Source Purchase will only be permitted with written justification to be reviewed by the Purchasing Manager, User Department Head and



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CAO, where required.

**2.36 Non-Competitive Purchase - Sole Source**

The direct purchase of a good or service unique to a particular vendor that cannot be obtained from another source will be allowed, if in the judgement of the Purchasing Manager, in consultation with the requisitioning Department Head, consideration of substitutes is precluded due to any of the following:

- (a) components or replacement parts for which there is no substitute;
- (b) compatibility with an existing product, equipment, facility or service is required;
- (c) there are patented, copyright or proprietary rights.

**2.37 Unsolicited Proposals**

Unsolicited proposals received by the City shall be referred to the Purchasing Manager for review and discussion with the user Department Head. No consideration shall be made for an unsolicited proposal unless there is a legitimate need for the goods and/or services offered by way of the unsolicited proposal. Any procurement activity resulting from the receipt of an unsolicited proposal shall be conducted in accordance with the provisions of this Policy. A contract resulting from an unsolicited proposal shall be awarded on a Non-Competitive basis only when the procurement complies with the requirements of 2.35 or 2.36.

**2.38 Purchases Through Public Auction or Public Tender**

In instances where a department wishes to purchase through public auction or public tender, the Department Head shall advise the Purchasing Manager of the conditions involved in the proposed transaction prior to the event.

**2.39 Emergency Purchases (Other Than Declared States of Emergency)**

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

- a) a threat to public health;
- b) the maintenance of essential municipal services;
- c) the welfare of persons or of public property; or
- d) the security and/or economic advantage of the Municipality's interests and the occurrence requires the immediate delivery of goods or services and

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time does not permit for competitive bids.

**NOTE:** An emergency does not apply as a result of a department failing to plan and forecast their requirements in a timely fashion in the course of their regular/normal operations.

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

- (i) Procurement from \$50,000 to \$100,000 (excluding taxes):

Wherever feasible, the Purchasing Manager, upon the recommendation of the Department Head, shall secure by the most open market procedure at the lowest obtainable price, any goods and services required. (An information report shall be submitted to the appropriate Committee explaining the actions taken and the reason(s) therefore).

- (ii) Procurement over \$100,000 (excluding taxes):

The Department Head shall obtain the prior approval of the CAO. (An information report shall be submitted to Council explaining the actions taken and the reason(s) therefore).

#### **2.40 Follow-On Contracts**

Where a reasonable likelihood exists that, on completion of a contract, it will be necessary to award a non-competitive contract for follow-on goods or services, the Department Head shall ensure that the possibility of a follow-on contract will be identified in the original Bid Solicitation. Authority to approve a follow-on contract will be as per authority limits for contract award under this Policy.

#### **2.41 Co-operative or Joint Ventures**

The Municipality may participate with other Government agencies or public authorities in co-operative procurement/acquisition ventures or utilize a “piggy back clause” to existing Ministry of government services contracts or other co-operatives, whenever it is determined to be in the best interest of the Municipality to do so. The purchasing procedures and policies of the Government agency or public authority initiating the procurement process will be followed.

#### **2.42 Long-Term Tenders/Quotations**

The purpose of issuing long-term tenders/quotations for everyday goods and services are:

- a) to obtain satisfactory pricing;
- b) to provide uniformity within the Corporation;

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- c) to maintain departmental inventories as required;
- d) to alleviate the problem of excess shipping charges during the life of the Contract;
- e) to reduce the amount of paperwork by eliminating day to day issuing of Purchase Orders and invoicing; and,
- f) to allow each department to have accurate figures for annual budgets for operating supplies.

The procurement process required for long-term purchasing arrangements should be based on the total expected value of goods/services to be acquired over the entire term of award.

**2.43 Disqualification of a Supplier/Bidder**

Notwithstanding other provisions in this by-law where the following disqualification criteria apply, the Corporation may, if there is supporting evidence and in its sole discretion, exclude a Supplier from bidding on any Bid Solicitation or reject a Bid of a Supplier on the following grounds:

- (a) If the Supplier, either itself or through a related, successor, or affiliated entity, or if an officer or director of the Supplier, either directly or indirectly through another corporation or entity, has, at any time, threatened, commenced, or engaged in legal claims or litigation against the Corporation;
- (b) If the Supplier is insolvent, has made an assignment into bankruptcy, filed a Proposal, or has otherwise sought creditor protection under any legislation;
- (c) If the Supplier, either itself or through a related, successor, or affiliated entity, or if an officer or director of the Supplier, either directly or indirectly through another corporation or entity, has, at any time made false declarations of any kind in the past;
- (d) If the Supplier, either itself or through a related, successor, or affiliated entity, or if an officer or director of the Supplier, either directly or indirectly through another corporation or entity, has, had a significant deficiency or persistent deficiencies in performance of any substantive requirement or obligation under a prior Contract or Contracts with the Corporation;
- (e) If the Supplier, or any of its officers or directors, has been convicted, of a serious crime or other serious offences;
- (f) If the Supplier, either itself or through a related, successor, or affiliated entity, or if an officer or director of the Supplier, either directly or indirectly through another corporation or entity, has, at any time engaged in professional

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misconduct or acts or omissions that adversely reflect on the commercial integrity of the Supplier;

(g) If the Supplier has failed to pay any government tax, including but not limited to income tax, Harmonized Sales Tax, and municipal taxes; and/or

(h) If there are any reasonable grounds in the sole and absolute discretion of the Corporation to believe that it is not in the best interest of the Corporation to enter into a Contract with the Supplier.

**2.44 Direct Hire of Consultant Services or Professional Services (non-recurring)**

- a) Where it is estimated that the expenditure for consultant services or professional services is within the authority level of a Department Head OR does not exceed \$50,000, the Department Head will select and recommend approval of the choice of Consultant to perform the service, in consultation with the Purchasing Manager.
- b) This process shall not be used to retain consultant services or professional services where an existing pre-qualified roster of bidders is in place for the services requested.
- c) Consultant services or professional services exceeding \$50,000 shall be procured by applicable Source Selection.

**2.45 Recurring Consultant or Professional Services**

The term of contract for consultant services or professional services may not exceed a period of five (5) years without the formal approval of Council.

**2.46 Auditing Services**

- a) The City shall appoint an auditor licensed under the Public Accounting Act, 2004 whose responsibilities comply with the Municipal Act.
- b) Prior to or upon the expiry of the current term of appointment, the CAO has the authority to seek and obtain a Proposal from the auditing firm for continued service.
- c) If the Proposal received under 2.46 b) is considered reasonable and appropriate by the CAO, the CAO shall obtain the approval of Council to reappoint the auditing firm.
- d) Should the Proposal received under 2.46 b) not be considered reasonable and appropriate by the CAO, or if the CAO does not exercise their authority under 2.46 b) above, the provisions of this Policy shall be followed to procure the auditing firm for the City.

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**2.47 Risk Management**

- a) In the case of Bid Solicitations, the Purchasing Manager shall assess and assign Risk Management clauses as required in the particular conditions of each document. Items shall include, but not limited to, the following: Bid Bonds; Performance Bonds; Liability Insurance protection; Workplace Safety & Insurance Board; employee bonding; deficiency reports; agreement forms; disposal of used materials; certified cheques; termination clauses; safety requirements; supplier responsibility; liquidated damages; dispute resolution; price adjustment clauses; and Certificates of Completion (partial and full).
- b) The Purchasing Manager shall from time to time, as required, review Risk Management Clauses, and develop new Clauses as needed.
- c) The Corporation of the City of Pembroke will ensure that any vendors engaged to carry out work for the City shall comply with any and all applicable municipal, provincial and federal legislation.

**2.48 Conflict of Interest**

Prior to accepting an assignment, all consultants (e.g.: architects, engineers, etc.) retained by the Municipality shall disclose to the Municipality, any potential conflict of interest. If such a conflict of interest does exist, the Municipality may, at its discretion, withhold the assignment from the consultant until the matter is resolved or terminate the award. Further, if during the conduct of a municipal assignment, a consultant is retained by another client giving rise to a potential conflict of interest, then the consultant shall so inform the Municipality.

**2.49 Access to Information**

- a) The City will disclose information received relevant to the issue of bid solicitations or award of contracts emanating from bid solicitations in accordance with the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, as amended.
- b) If a Bidder considers any part of their Bid proprietary, the Bidder shall clearly mark such page or section of the Bid as confidential. This procedure will not automatically protect the information from release, but will assist the City in making a determination on release if a request is made under the *Municipal Freedom of Information and Protection of Privacy Act*, as amended.

**2.50 Accessibility**

- a) All Bidders, Suppliers and Contractors who provide Goods, Services or Construction to the City shall comply with the *Accessibility for Ontarians with Disabilities Act*, and all Regulations emanating therefrom.

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- b) Where the procured scope of work includes the provision of communication materials to be provided to the general public, it is the responsibility of the bidder/supplier/contractor to provide this information in an accessible format that complies with public sector AODA standards. No vendor shall be paid until such services are delivered.

## **2.51 Terms of Payment**

**2.51.1** The Municipality maintains a net 30 days (n/30) upon receipt of a proper and approved invoice unless under special circumstances, the Treasurer would reduce or extend the terms of payment.

**2.51.2** The Municipality maintains a net 28 days (n/28) upon receipt of a proper and approved invoice for any projects that fall under the Construction Act. Should there be a dispute with the invoice, the City will advise the Contractor within 14 calendar days of receipt of the invoice describing reasons for non-payment. In turn, the contractor must either pay its subcontractors within seven calendar days of receipt of payment or send notices of dispute within seven calendar days.

## **2.52 Disposal of Surplus Goods**

The disposal of surplus and obsolete goods shall be evaluated on a case-by-case basis. The Purchasing Manager, in consultation with the initiating Department Head and CAO, shall have the authority to sell, exchange, or otherwise dispose of goods declared as surplus to the needs of the City where it is cost effective and in the best interest of the City to do so.

Surplus and obsolete goods may:

- a) Be offered for sale to other City departments or public agencies;
- b) Be sold through sealed bid or by auction (online or auction house), and
  - (i) where it is deemed appropriate, a reserve price may be established;
  - (ii) where a reserve bid is not met, the City reserves the right to negotiate with the highest bidder;
  - (iii) where two or more identical high bids are received, a coin toss or chance drawing shall be conducted by the Purchasing Manager, in the presence of a Department Head, as a tie-breaking method;
- c) Be sold or traded to the original supplier or others in that line of business where it is determined that a higher net return will be obtained than by following other procedures;
- d) Be donated to a registered charity;

e) Be recycled;

f) Be scrapped; or

disposed by any other means that maximizes the benefit to the municipality while ensuring disposition in a timely fashion.

The sale of such goods to employees, elected officials, or their family members, other than in accordance with 2.52 b), is prohibited.

## **Section III – Purchasing Procedures**

### **3.1 Types of Purchasing**

Prior to the Purchase being made:

1. A need is identified by the various user departments; and,
2. An approximate dollar value is determined, which will dictate the method of purchase to be used.

The options available for purchasing goods and services are as follows:

- a) Standard Purchase Order;
- b) Request for Quotation;
- c) Request for Tender;
- d) Request for Proposal;
- e) Single Source;
- f) Sole Source;
- g) Auction Purchase;
- h) Emergency Purchase; and
- i) Office Supplies Purchase

### **3.2 Standard Purchase Order**

The Department involved, through the Purchase Requisition system, enters the following:

- a) Date;

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- b) Equipment/Facility;
- c) Section/Department;
- d) Requested By;
- e) Justification;
- f) Indicate if Funds are Available;
- g) Account Number;
- h) Quantity and Description of goods/service;
- i) Approximate value of purchase; and,
- j) Supplier (suggested by the User Department but can change based on supplier chosen by the Purchasing Manager).

If all of the above criteria are satisfied, the system will allow a Purchase Order to be generated.

### **3.3 Request for Quotation, Tender and Proposal**

The Department involved notifies the Purchasing Manager of the intent to request a Tender/Quotation/Proposal. A follow-up meeting will be arranged to discuss the Project, including:

- a) budget amount (must be included in the budget and approved by Council);
- b) account number;
- c) advertising, if applicable;
- d) if a site meeting is required, and if so, is it mandatory;
- e) list of potential vendors if applicable; and,
- f) notes regarding the project.

Detailed Specifications are prepared, either by the user department and/or in conjunction with the Consulting Engineers, and combined with the City's standard Tender/Quotation Request.

### **3.4 Preparation of Specifications**

In the preparation of Specifications by Departments, the documents must:

- a) be prepared within a time frame allowing the distribution of the documents to



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the vendors and allowing for reasonable response time by the vendors;

- b) allow for appropriate advertising period;
- c) allow for competitive bidding;
- d) allow for reasonable time to prepare report of recommendation; and,
- e) allow for reasonable time to get reports on the appropriate Committee/Council Agenda's.

The specifications must be detailed enough that a loophole will not allow a bidder to evade any of the provisions and thereby take advantage of competitors or the purchaser, and:

- f) Be capable of being checked. They must describe the method of checking which will govern acceptance or rejection.
- g) Be reasonable in tolerances as to not have unnecessary precision or requirements causing higher costs and making the bid restrictive.
- h) The Purchasing Manager arranges for advertising of the call as required by the policies and procedures established by this document. Purchasing Manager or designate receives, opens and tabulates results of the submissions.
- i) The Purchasing Manager will retain all bid deposits in safe keeping, until receiving direction for the release of all but two deposits.
- j) Copies of submissions will be provided to the Department involved in the call for a decision as to the successful bidder.
- k) The Purchasing Department prepares a Bid Summary (unofficial) and forwards a copy to the department involved.
- l) Where required by this policy, the Department Head of the department involved prepares a report of recommendation to the appropriate Committee of City Council, which shall be reviewed by the Purchasing Manager.
- m) When the Contract is awarded, the Purchasing Manager will obtain necessary Workplace Safety & Insurance Board and other Certification(s) required from the successful bidder.
- n) The Purchasing Manager will notify the User Department of the bidder's compliance with the necessary documentation, at which point the Purchase Order or Contract is prepared.
- o) The Purchasing Manager will then issue a Purchase Order to the successful

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vendor and notify the unsuccessful bidders in writing or by posting the results on the City's website.

- p) When the Contract has been fulfilled, invoice(s) go to the Accounts Payable Department and forwarded to the Purchasing Department for processing of payment in consultation with the appropriate Department Head.

**3.5 Single or Sole Source Purchase**

The Department Head involved in a Single or Sole Source Purchase will provide to the Purchasing Manager a memo or letter outlining the reasons for using this method (see 2.35 and 2.36). Depending on dollar value, the request will be forwarded for approval by the appropriate Administrative level, Committee/ Council. Following approval, the Department Head or Purchasing Department may proceed with the purchase, pursuant to City Policy.

**3.6 Auction Sale Purchase**

The Department Head involved in a purchase at an auction sale will provide to the Purchasing Manager a memo or letter outlining the reasons for using this method of purchasing.

**3.7 Office Supplies**

Office Supplies encompass the usual products required to maintain the office environment and these items may be obtained directly from the selected supplier.

**3.8 Brand Names/Equivalent**

Brand names and the term "or equivalent" may be used. The term "or equivalent" will be used to supplement brand names that meet the minimum requirements. These requirements should include basic design, physical dimensions, types and trades of materials, and be common to at least two manufacturers. Whenever the term "equal or equivalent" is used to supplement a qualified product list of brand names, the following paragraph must be included:

"Any items other than those brands specified in the bid specifications require approval of the City. The items offered must be equivalent as to function, basic design, quality, type of material, method of construction and any required dimensions".

**3.9 Schedules**

In those situations requiring some form of public response for information (Request for Quotation, Tender, Proposal) the following schedules are to be followed:

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- a) The Purchasing Department will handle these items on a “First Come, First Served” basis, upon receipt of the completed Purchase Requisition Form and Specifications;
- b) When the department involved provides the completed Specifications, the documentation preparation will require ten (10) working days to assemble prior to advertising; Under no circumstances will advertising be processed until completed specifications are received and tendering timelines may be adjusted accordingly if needed.
- c) Purchasing will arrange for advertising, which requires a period of ten (10) working days from notification by the department to insertion in the paper/network; and,
- d) Minimum time required between the advertising, the issuance of a bid document and the receiving of the submitted bid documentation will be ten (10) working days. If a department wishes for a longer period, this may be arranged as required.

**3.10 Closings**

- a) Sealed Bid Solicitations issued above, will be received until 2:00:59 p.m., local time, as confirmed by the City’s time clock stamp, at a location as identified by the City in the bid document, and opened shortly after closing. Bids received at 2:01:00 p.m. or later will be deemed to be late and rejected.
- b) All sealed Bid Solicitations will be submitted directly to the Purchasing Manager, unless otherwise previously arranged with the Purchasing Manager, with the name of the firm submitting, tender/quotation/proposal number, and the name of the good or service in question, identified on the outside of the envelope.

**3.11 User Department Responsibilities**

The department involved will: identify the need and forward request to Purchasing to prepare tender documents.

**3.12 Purchasing Department Responsibilities**

The Purchasing Department will: complete the document; provide a final copy document to department involved; arrange for advertising; arrange for distribution and receiving of documents; organize the opening and summarizing of bids; provide copies of submissions to the department; retain any bid submission deposits until authorized for release.

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**3.13 Vendor Source Selection**

Vendor names for quotations/tenders/proposals will be drawn from the City Purchasing Department's data files, past solicitations, trade magazines, newspapers, yellow pages, etc.

**3.14 Public Request for Quotation, Tender or Proposal**

The Purchasing Manager shall advertise the various public quotes, tenders and proposals on the City Web Site and in relevant media as applicable, which may include the local or regional newspapers, specialized publications, and electronic media (e.g. MERX, Biddingo), in order to provide the best response to the request.

**3.15 Disposal of Surplus Goods**

- a) Departments having identified surplus or obsolete goods shall notify the Purchasing Department, in writing, describing the goods, their condition and their location.
- b) A list of these items will be made available to all City departments in the event that some items may be used by other departments.
- c) If a Department is interested in any of the surplus items, there will be a Journal Entry made to each Department for an agreed value.
- d) Any surplus/obsolete goods not transferred within the City Departments will be accumulated by the City and will be disposed according to 2.52 of this Policy.

**3.16 Product Receiver**

Once the commodity required has been received by the user and checked for compliance to specifications, quantity, shipping damage, etc., the Packing/Delivery Slip is to be signed and dated by the receiver, including comments (if applicable) and forwarded to the appropriate department for processing the invoice and matching to the Purchase Order.

**3.17 Inspections**

If something is wrong with the shipment, such as damaged goods or wrong products, or incomplete order, the department responsible for ordering shall contact the supplier to resolve the issue. Shipments that are not complete and are shown as such on the Packing Slip may be received as such and a partial payment authorized.

### **3.18 Follow Up**

Users who have not received their commodity by the promised delivery date should contact the vendor with whom the order was placed. If there is a problem between the vendor and the user, the user should advise the Purchasing Department. If required, Purchasing will intervene and will attempt to expedite the shipment or resolve the issue.

## **Appendix A**

### **Bid Irregularities**

#### **Bid Irregularity**

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

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

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

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

#### **Mathematical Errors - Rectified by Staff**

The Purchasing Manager will correct errors in mathematical extensions and/or taxes, and the unit prices will govern as described in the procurement document. The responsibility for correcting mathematical errors may be delegated to the requisitioning department.

#### **Action Taken**

The Purchasing Manager and Department Head will be responsible for all action taken in dealing with bid irregularities, and acts in accordance with the nature of the irregularity: major irregularity (automatic rejection)

- minor irregularity (bidder may rectify)
- mathematical error (additions or extensions) as above

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

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**Bid Irregularities Summary**

<b>Item</b>	<b>Description</b>	<b>Major</b>	<b>Minor</b>	<b>Action</b>
<b>1</b>	Late bids (by any amount of time)	X	N/A	Automatic Rejection; not read publicly, returned unopened to the bidder
<b>2</b>	Unsealed envelopes	X	N/A	Automatic Rejection; not read publicly, returned unopened to the bidder
<b>3</b>	Proper response envelope or label not used	N/A	X	Acceptable if officially received on time
<b>4</b>	Bids received from bidders not attending mandatory site meeting	X	N/A	Automatic Rejection
<b>5a</b>	<b>Financial Security – Execution</b>  a. No bid deposit, cheque not certified, or not an original financial security (e.g. a photocopy or a facsimile of a financial security)	X	N/A	Automatic Rejection
<b>5b</b>	b. Insufficient Financial Security	X	N/A	Automatic Rejection, where security is required and amount of security is specified in request  Where security is required & amount is not specified in request, Automatic Rejection unless insufficiency is trivial or insignificant
<b>5c</b>	c. Signature and/or corporate seal (or other acceptable alternative to) of contractor, or of	X	N/A	A bid bond must be executed (signed in ink) by both the Principal (contractor) and surety (bonding

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<b>Item</b>	<b>Description</b>	<b>Major</b>	<b>Minor</b>	<b>Action</b>
	bonding company, or both, are missing from bid bond.			company) to be valid. If either signature is missing, then Automatic Rejection.  If one or both corporate seals (or other acceptable alternative to) is missing, the bond is still considered to be valid, no additional action required
<b>6a</b>	<b>Bid Documents – Execution</b>  a. Physical/hard copy bids not executed in non-erasable medium and signed in ink.	X	N/A	Automatic Rejection
<b>6b</b>	b. Bid document missing signature of authorized representative whether corporate seal affixed, or not.	X	N/A	Automatic Rejection
<b>6c</b>	c. Bid documents in which all addenda issued have not been acknowledged.	X or	X	Automatic Rejection, unless in the opinion of the Purchasing Manager, the addenda does not significantly impact the bid, in which case the bidder will be given 2 working days to formally acknowledge the addenda, with no change permitted to the original financial bid
<b>7a</b>	<b>Agreement to Bond (Performance Security)- Execution</b>	X	N/A	Automatic Rejection



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<b>Item</b>	<b>Description</b>	<b>Major</b>	<b>Minor</b>	<b>Action</b>
	a. bond company corporate seal or equivalent proof of authority to bind company or signature missing or not an original financial security (e.g. a photocopy or a facsimile of an agreement to bond);			
<b>7b</b>	b. surety company not licensed to do business in Ontario	X	N/A	Automatic Rejection
<b>8a</b>	<b>Incomplete Bids</b> a. pricing or signature pages missing	X	N/A	Automatic Rejection
<b>8b</b>	b. pages requiring completion of information by vendor are missing	X	N/A	Automatic Rejection
<b>8c</b>	c. partially completed bids - all pages are included but items not bid	X or	X	Automatic Rejection, unless in the opinion of the Purchasing Manager, the nature of the missing information does not impact the Municipality's ability to conduct a fair competitive evaluation.  Unacceptable unless partial bid has been specified in the request
<b>9</b>	<b>Qualified Bids</b> (Bids Qualify or restricted by a written or attached statement)	X or	X	Automatic Rejection, unless, in the opinion of the Purchasing Manager, the qualification or restriction is trivial or not significant.

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<b>Item</b>	<b>Description</b>	<b>Major</b>	<b>Minor</b>	<b>Action</b>
<b>10</b>	Bid received on documents other than those provided in request	X	N/A	Automatic Rejection, unless specified otherwise in the request
<b>11a</b>	Bids containing clerical or mathematical errors:  a. Un-initialed changes to the bid documents which are minor (i.e.. the bidder's address is amended by overwriting but not initialed)	N/A	X	Municipality reserves the right to waive initialing and accept bid
<b>11b</b>	b. Unit prices in the schedule of prices have been changed but not initialed and the contract totals are consistent with the price as amended	N/A	X	2 working days to correct initial errors. Municipality reserves the right to waive initialing and accept bid.
<b>11c</b>	c. Unit prices in the schedule of prices have been changed but not initialed and the contract totals are not consistent with the price as amended	X	N/A	Automatic Rejection
<b>11d</b>	d. Other mathematical errors which are not consistent with the unit prices	N/A	X	2 working days to initial corrections. Unit prices will govern.
<b>11e</b>	e. Bid documents which suggest that the bidder has made a major mistake in calculations or bid	X	X	If required, consultation with a Solicitor on a case-by-case basis and referenced within the staff report if applicable
<b>12</b>	Alternate items bid in whole or in part	N/A	X	Available for further consideration unless specified otherwise in the request

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<b>Item</b>	<b>Description</b>	<b>Major</b>	<b>Minor</b>	<b>Action</b>
<b>13</b>	Bids received from bidders that have not received the original bid documents from the City or consultants acting on behalf of the City. i.e. not on the bidders list in which suggests that the bidder has received a copy of the bid document from another source.	X	N/A	Automatic rejection If required, consultation with a Solicitor on a case-by-case basis and referenced within the staff report if applicable

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

## **Appendix B**

### **Goods & Services Exempt from Provision of the Procurement Policy**

1. Petty Cash Items
2. Professional and Special Services
  - a) Committee Fees
  - b) Witness Fees
  - c) Court Reporters' Fees
  - d) Honoraria
  - e) Arbitrators
  - f) Mediators
  - g) Legal Settlements and Specialized Legal Services
  - h) Realty Services regarding acquisition, disposal or appraisal of land
  - i) (Baliff) or Collection Agencies
3. Training and Education
  - a) Conferences
  - b) Courses
  - c) Conventions
  - d) Memberships
  - e) Seminars
  - f) Periodicals
  - g) Magazines
  - h) Books
  - i) Staff Training
  - j) Staff Development
  - k) Staff Workshops
  - l) Subscriptions
4. Employer's General Expenses
  - a) Licenses (vehicles, elevators, radios, etc.)
  - b) Payments of Damages

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- c) Charges to/from Other Government or Crown Corporations or Government Controlled Agencies (examples - TSSA, ESA)
- d) Building Lease Payments
- e) Advertising

5. Utilities

- a) Water and Sewer Charges
- b) Hydro
- c) Natural Gas
- d) Telephone/Internet

6. Miscellaneous

- a) Postage, Courier Charges
- b) Freight Charges
- c) Entertainers (e.g. for special events, etc.)
- d) Original works of art
- e) Land
- f) Software

7. Non-Material Leases

- g) Office Equipment
- h) Automobiles
- i) Communications equipment
- j) Machinery and equipment
- k) Any building or property lease entered into in accordance with approved policies and procedures
- l) Any leases in place at time of Council approval of this policy

Note: While exempt from provision of the Procurement Policy, these items may, however, be subject to other applicable Policies and Procedures established by the City.

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## Appendix C

### Methods of Procurement – Summary Template

#### 1. Goods and services (Including the Engagement of Professional and Consulting Services)

<b>Method of Procurement</b>	<b>Documentation Required</b>	<b>Source of Bids</b>	<b>Type of Agreement with Supplier</b>	<b>Reporting Requirements</b>
a. under \$1,501 (2.17 a (i))	Direct Acquisition	Experience or price comparison	Cash, Limited Purchase Order, Blanket/Standi ng Order, Credit Card	Supervisor/ Superintendent/Clerk/ Managers as delegated by Department Head, Department Head
b. \$1,501-\$5,000 (2.17 a (ii))	Direct Acquisition	Experience or price comparison	Limited Purchase Order	Supervisor/ Superintendent/Clerk/ Managers as delegated by Department Head, Department Head
c. \$5,001-\$50,000 (2.17b (i))/ 2.17 c (i)	2-3 informal quotes to be obtained where practicable/ or (RFQ) Request for Quotation when deemed necessary by the Purchasing Manager	Faxed, emailed or written quotations requested from a predetermined list of suppliers where applicable; may advertise on City website and/or relevant media	Purchase Order	\$5,001 - \$10,000 Manager/Clerk/Superinten dent as delegated by Department Head.  \$10,001 - \$50,000 Department Head Approval
d. \$50,001 - \$250,000 (2.17 c (ii))	Sealed bids acquired by REQUEST FOR TENDER (RFT)	Advertised on City website and/or relevant media	Purchase Order and/or Contract	Department Head with CAO Approval
e. \$250,001 - \$500,000 (2.17 c (ii))	Min. 3 bids required. Sealed bids	Advertised on City website	Purchase Order and/or Contract	Department Head with CAO Approval

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PROCUREMENT POLICY AND PROCEDURES MANUAL**

<b>Method of Procurement</b>	<b>Documentation Required</b>	<b>Source of Bids</b>	<b>Type of Agreement with Supplier</b>	<b>Reporting Requirements</b>
	acquired by REQUEST FOR TENDER (RFT)	and/or relevant media		If a min. of 3 bids is not obtained, Committee Approval is required
f. over \$500,001 (2.17 c (ii))	Sealed bids acquired by REQUEST FOR TENDER (RFT)	Advertised on City website and/or relevant media	Purchase Order and/or Contract	Report to Committee required; forwarded to Council for approval

**2. Request for Proposals (Including the engagement of professional and consulting services)**

<b>Method of Procurement</b>	<b>Documentation Required</b>	<b>Source of Bids</b>	<b>Type of Agreement with Supplier</b>	<b>Reporting Requirements</b>
a. \$50,001 - \$250,000 (2.17 c (iii))	Sealed proposals acquired by REQUEST FOR PROPOSAL (RFP)	Advertised on City website and/or relevant media	Purchase Order and/or Agreement	Department Head and CAO approval required
b. \$250,001 - \$500,000 (2.17 c (iii))	Min. 3 bids required. Sealed proposals acquired by REQUEST FOR PROPOSAL (RFP)	Advertised on City website and/or relevant media	Purchase and/or Agreement	Department Head and CAO approval required. If a min. of 3 bids is not obtained, Committee Approval is required
c. over \$500,001 (2.17 c (iii))	Sealed proposals acquired by REQUEST FOR PROPOSAL (RFP)	Advertised on City website and/or relevant media	Purchase Order and/or Agreement	Report to Committee required and recommendation to be forwarded to Council for Approval

**CORPORATION OF THE CITY OF PEMBROKE  
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**3. Expression of Interest and/or Request for Pre-Qualification**

<b>Method of Procurement</b>	<b>Documentation Required</b>	<b>Source of Bids</b>	<b>Type of Agreement with Supplier</b>	<b>Reporting Requirements</b>
N/A	Information requested from interested bidders, followed by competitive sealed bid process	Advertised on City website and/or relevant media	No contract; followed by further bid request	No report to Committee or Council required



## **Appendix D**

### **Delegation of Authority Form**

**Contact our Treasury Department to receive a copy of this form.**