



POLICY: Procurement/Purchasing

Created By:	Director of Finance	Approval Date:	04/07/2021
Policy No.:	C-20 (By-law 2026-46)	Last Revised	17/06/2026

Table of Contents

POLICY: Procurement/Purchasing	1
PURPOSE.....	2
SCOPE.....	2
POLICY	2
3.1. Introductions	2
3.2. General Conditions	4
3.3. Responsibilities and Authorities	8
3.4. Standard Methods of Procurement.....	9
3.5. Alternative Methods of Procurement.....	12
3.6. Other.....	14
DEFINITIONS.....	17
Schedule A – Goods & Services Exempt from Provision of the Purchasing Policy	22
Schedule B – Summary of Thresholds for Purchasing	24
Schedule C – Bid Irregularities.....	26
Appendix 1 - Vendor Performance Management Procedure.....	30
Appendix 2 - Vendor Suspension Procedure	34

PURPOSE

- 1.1 The purposes of this Purchasing By-Law to set out the Procurement Methods for the Township of Severn as are set out in the Recitals that form part of the operative provisions of this Policy.

SCOPE

- 2.1 This policy shall apply to all elected officials, committee members and staff of the Township of Severn and its Local Boards.

POLICY

3.1. Introductions

3.1.1. Title and Administration

This Policy may be referred to as the "Purchasing By-Law and/or Policy". The Director of Finance is responsible for the administration of this By-law, which includes updating and evaluating for effectiveness, as appropriate but no later than every five (5) years.

3.1.2. Validity and Severability

Should any section, subsection, clause, paragraph or provision of the by-law be declared by a court of competent jurisdiction to be invalid or unenforceable, the decision shall not affect the validity or enforceability of any other provision of this Purchasing By-law as a whole.

3.1.3. Interpretation

In this Purchasing By-Law,

- The word "may" is permissive.
- The words "shall" and "will" are imperative.
- Words used in the present terms include the future.
- Words in the singular number include the plural number and vice versa.
- Where staff of the Township are authorized to do any act, such act may be done by their authorized delegate unless specifically stated otherwise.
- Where the context so requires, the masculine gender shall include the feminine and neutral genders and vice versa.

3.1.4. Public Purchasing Code of Ethics

All employees authorized to purchase Goods, Services and/or Construction on behalf of the Township shall adhere to the following principles, which are based on the tenets of the Ontario Public Buyer Association's Code of Ethics:

- **Open and Honest Dealings with Everyone Who is Involved in the Purchasing Process.** This includes all businesses with which the Township contracts or from which it purchases Goods and Services, as well as all members of staff and of the public who utilize the services of Purchasing Services.
- **Fair and Impartial Award Recommendations for All Contracts and Tenders.** This means that the Township does not extend preferential treatment to any

Vendor, including local companies, subject to provincial or federal legislation. Not only is it against the law, it is not good business practice, since it limits fair and open competition for all Vendors and is therefore a detriment to obtaining the best possible value for each tax dollar.

- **An Irreproachable Standard of Personal Integrity on the Part of All Those Designated as Authorized Purchasers for the Township.** Absolutely no gifts or favours are accepted by any employee or elected official of the Township in return for business or the consideration of business. Also, employees and elected officials do not publicly endorse one company in order to give that company an advantage over others.
- **Cooperation with Other Public Agencies in Order to Obtain the Best Possible Value for every Tax Dollar.** The Township is a member of a cooperative purchasing group. Made up of several public agencies, this group pools its expertise and resources in order to practice good value analysis and to purchase Goods and Services in volume and save tax dollars.

3.1.5. **Purchasing Principles & Goals**

The Township adheres to the following purchasing principles:

- To purchase, rent or Lease the required quality and quantity of Goods, Services and/or Construction by promoting an open, fair, and transparent competitive process in an efficient, professional and cost-effective manner while maintaining budgetary control and protecting the best interests of the Township.
- To encourage an open fair and transparent competitive processes for the Acquisition and Disposal of Goods and Services and to obtain the best value for the Township.
- To offer a variety of Acquisition Methods and to use the most appropriate method depending on the particular circumstances of the Acquisition.
- To consider all costs and factors, including, but not limited to, Acquisition, operating, training, maintenance, quality, warranty, payment terms, Disposal value and Disposal costs, in evaluating submissions.
- To utilize comprehensive and unbiased specifications in order to maximize competition.
- To encourage the purchase of Goods, Services and Construction with due regard to the preservation of the natural environment; Vendors may be selected to supply Goods made by methods resulting in the least damage to the environment and supply Goods incorporating recycled materials where practicable and cost efficient.
- To avoid real and perceived conflicts between the interests of the Township and those of the Township's employee has, elected officials and committee members and to ensure compliance with the *Municipal Conflict of Interest Act*, R.S.O. 1990, c. M.5, as amended.
- To promote respect for international and interprovincial trade treaties and agreements.
- To promote and incorporate, whenever possible, the relevant requirements of the *Ontarians with Disabilities Act, 2001*, S.O. 2001, c. 32 and *Accessibility for*

Ontarians with Disabilities Act, 2005, S.O. 2005, c. 11, in Procurement for the Township.

- To conduct procurement activities in compliance with applicable provincial procurement legislation, regulations, directives, and policies, and to support the use of Ontario and Canadian goods and services where appropriate and permitted by law.

3.2. **General Conditions**

3.2.1. **Prohibitions**

No Township staff, elected official or committee member shall purchase or offer to purchase, on behalf of the Township, any Goods, Services or Construction except in accordance with this Purchasing By-Law and following the rules set out in the Purchasing Procedures, as amended from time to time.

Any employee who intentionally and knowingly acquires or disposes of any Goods or Services for the Township in contravention of this Purchasing By-Law or the Purchasing Procedures, as amended from time to time, may be subject to disciplinary action.

Exceptions to this Purchasing By-Law are identified in Schedule A.

All purchases must have appropriate pre-approved funding and must be authorized prior to the preparation of a Call for Bid.

A Director shall not Award where the Director of Finance has determined that the provisions of this Purchasing By-Law have not been adhered to and has advised the Director.

No employee or designated representative for the Township shall prepare, design or otherwise structure Procurement, select an evaluation method or divide Procurement requirements into two or more parts in order to circumvent any obligation and/or threshold of this Purchasing By-Law.

The Township shall not enter into any Contract for Goods, Services or Construction where there would be the establishment of an employee- employer relationship, except as exempted under Schedule A.

For the purpose of determining whether a Contract falls within the prescribed financial limits on Contracts that may be awarded under the authority of a Director or provides for financial limits on Contracts required to be reported to Council, the Contract amount shall be the sum of all costs to be paid to the Proponent under the Contract, including the non-rebated portion of tax.

3.2.2. **Standardization**

It shall be the intent of the Township, wherever possible, to standardize the purchase of Goods, Services and Construction to allow for:

- Reduced amount of Goods, Services and Construction required;
- Increased volume on common cross departmental items or services;
- Maximizing volume buying opportunities;
- Providing economies of scale;
- Reduced handling, training and storage costs;
- Minimizing maintenance costs;
- Cooperative Purchasing activities;
- More competitive Bid results; and
- Reduced overall costs.

3.2.3. **No Local Preference and Non-Discrimination**

Except where otherwise required by applicable provincial or federal legislation, the Township shall not practice local preference in awarding purchases, pursuant to the *Discriminatory Business Practices Act*, R.S.O. 1990, c. 012; *Agreement of Internal Trade Implementation Act*, S.C. 1996, c. 17; and, the *Competition Act*, R.S.C. 1985, as amended.

3.2.4. **Application of Buy Ontario Requirements**

The Township shall conduct procurement activities in accordance with the Municipal Buy Ontario Procurement Directive and any other applicable directives issued under the *Buy Ontario Act (Public Sector Procurement)*, 2025, as amended.

The Township shall comply with all mandatory requirements of such directives, including any applicable requirements relating to documentation, reporting, sourcing, procurement processes, and strategic procurement categories.

The Chief Administrative Officer, Treasurer, or designate is authorized to implement and administer the requirements of the applicable directives and to incorporate such requirements into procurement processes and procurement documents as necessary.

In the event of any conflict or inconsistency between this Policy and an applicable directive issued under the *Buy Ontario Act (Public Sector Procurement)*, 2025, the applicable directive shall prevail to the extent of the inconsistency.

References in this Policy to applicable directives include any amendments, replacements, or successor instruments.

3.2.5. **Code of Conduct**

All Procurement by the Township shall be undertaken in accordance with the Township's Code of Conduct, the Township's Code of Conduct for Member of Council Policy and the *Municipal Conflict of Interest Act*, R.S.O. 1990, c.M.50, as amended.

3.2.6. **Lobbying Restrictions**

Vendors, their staff, or anyone involved in preparing a Bid shall not engage in any form

of political or other lobbying whatsoever or seek to influence the outcome of the purchasing process or subsequent Award. This restriction extends to all of the Township's elected officials, committee members and staff.

No Township's elected officials, committee members, or employees shall provide information regarding the Township's need for a specific Good, Service or Construction to prospective Vendors where the provision of the knowledge could provide an unfair advantage whether perceived or actual to that Vendor.

The Township may reject any Bid by any Bidder/Proponent that engages in lobbying, without further consideration, and may terminate that Bidder /Proponent's right to continue in the purchasing process.

During a formal Call for Bid process, no Vendor or person acting on behalf of a Vendor or group of Vendors, shall contact any elected official, committee member or employee of the Township to attempt to seek information or to influence the Award. This restriction extends to all of the Township's elected officials, committee members and staff.

3.2.7. Access to Information

The disclosure of information received in relation to a Call for Bid, or the Award shall only be made by the appropriate staff in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56, as amended.

3.2.8. Persons with Disabilities

When procuring Goods, Services and Construction, the Township will incorporate accessibility criteria and features when applicable and practical as may be required by applicable legislation.

If the Township determines that it is not practicable to incorporate accessibility design, criteria and features when procuring or acquiring goods, services or facilities, the municipality will provide, upon request, an explanation.

3.2.9. Legal Claims

The Township reserves the right to neither accept nor Award to any Bidder/Proponent, inclusive of its sub-contractor(s), a Contract with who the Township is in litigation.

3.2.10. Collusion

Collusion will not be tolerated, and Bids may be rejected without further consideration if Collusion is suspected or present.

3.2.11. **Council and Committees**

Council and committees shall completely separate themselves from the Procurement process. This includes but is not limited to obtaining information on any particular Procurement and participating as an evaluation member in any Procurement process.

In accordance with best practices in municipal procurement, Council recognizes the need for a clear separation of political and administrative functions in relation to the Township's procurement operations. It is the role of Council to establish policy and to approve expenditures through the budget approval process. Through this Purchasing By-Law, Council delegates to the Township's officers and employees the authority to incur expenditures in accordance with approved budgets through the procurement of goods, services and construction in accordance with the rules and processes set out in this Purchasing By-Law.

To facilitate Council's oversight role in respect of significant projects, Council may require Directors to obtain Council's authority to initiate specific procurements by identifying procurement projects of interest, such as procurements that are of a high value or involve significant risk, security concerns or significant community interest.

To avoid the potential appearance of bias or political influence in procurement contract award decisions, members of Council will have no involvement in competitive procurement processes from the time those procurement process have been initiated through the advertisement or issuance of the solicitation document until a contract has been entered into with the successful bidder, except where Council is required to approve the contract award in accordance with this Purchasing By-Law.

3.2.12. **Disposal of Surplus Goods or Assets**

No staff member, elected official, or committee member shall personally obtain any real or personal property with a market value of greater than \$500 that has been declared Surplus, unless it is obtained through a public process.

3.2.13. **Lowest or Any Bid**

Each procurement document will include the statement "Lowest or any Bid may not necessarily be accepted."

3.2.14. **Requirement for Approved Funds**

The beginning of the Procurement process commences with the approval by Council of the operating and capital budgets for the Township. Upon approval of these budgets, Director have the authority to purchase Goods, Services and Construction (excluding leasing of greater than one year, which requires Council approval).

Sufficient funds must be allocated for each Acquisition in the appropriate accounts within the Council approved operating or capital budget prior to the Award and execution of the Contract subject to the requirements in Schedule B.

3.2.15. **Multi-Year Contracts:**

Where certain Goods and Services are routinely purchased on a multi-year basis, the exercise of authority to Award and execute such a Contract is subject to the following:

- I. the identification and availability of sufficient funds in appropriate accounts for the current year within Council approved estimates; and
- II. in the opinion of the Director that the requirement for the Goods or Services will continue to exist in subsequent years and the concurrence of the Director of Finance that the required funding can reasonably be expected to be made available.

3.2.16. **Acquisitions Outside of the Approved Budget:**

Acquisitions that are deemed by a Director to be necessary but that are not in the approved capital budget must be approved by Council prior to the commencement of the solicitation process.

3.2.17. **Insufficient Budget at Time of Award:**

In the event that the Bid that is recommended for Award exceeds the approved funds available, the Township may pursue any of the following options:

- Council may add additional funds to the approved budget, provided that there are sufficient funds available to allow the Township to Award. Directors are required to submit a Staff Report to Council seeking approval of the additional funds;
- Award part of the Call for Bid;
- Negotiate if the Call for Bid Permits it;
- Cancel the Call for Bid; or,
- Materially revise the Call for Bid and issue the revised Call for Bid.

3.3. **Responsibilities and Authorities**

3.3.1. **Considerations**

Township Staff are accountable for the decisions and actions, which they take pursuant to this bylaw and in the administration of Contracts that have been awarded.

3.3.2. **Director**

Director shall

- Monitor adherence to the provisions of this Purchasing By-Law and the Purchasing Procedures and report any noncompliance to the Director of Finance.
- Facilitating all aspects of the Call for Bid process including creating and issuing the Call for Bid documents, opening, verifying compliance with the terms and conditions of the Call for Bid as well as facilitating the Award and execution of all Agreements and Contracts. Additionally, where applicable, facilitate Contract extensions, Contract Change Orders, Vendor performance, dispute resolution, additional funding, and Contract termination.

- Facilitate the Disposal of physical materials and assets that have been deemed Surplus by Director's through one of the methods outlined in the Purchasing Procedures.
- Where applicable, participate in Negotiations.
- Be responsible for Procurement activities within his or her department and shall be accountable for determining and achieving specific objectives as outlined for each Procurement project.
- Ensure that there are sufficient funds available and identified for all purchase requests.
- Be responsible for monitoring and documenting Vendor performance and compliance with Contracts as outlined in the Vendor Performance section of this Purchasing By-Law.
- Ensure that Contract Change Order forms are properly completed with appropriate approvals.
- Ensure that the required additional funding must be in place prior to the execution of the Contract or amendment thereto.

Directors are responsible for reviewing all contemplated Lease agreements with the Director of Finance. The Director of Finance may recommend that a staff report be prepared for Council consideration as the Township's debt capacity may be impacted.

3.3.3. **Director of Finance**

The Director of Finance shall address all instances of non-compliance of this Purchasing By-Law with the appropriate Director and continued non-compliance shall be reported to the CAO. The Director of Finance together with a Director has the authority to Award Emergency Purchases as outlined in Schedule B in consultation with the CAO.

3.3.4. **Chief Administrative Officer (CAO)**

The CAO shall ensure that all staff adhere to this Purchasing By-Law and Purchasing Procedures and shall address any non-compliance that the Director of Finance has brought to their attention.

3.4. **Standard Methods of Procurement**

3.4.1. **General**

The Acquisition Methods described below shall be utilized, unless another section of this Purchasing By-Law applies, as recommended by the Director of Finance and shall be advertised, reported, approved and the Contract executed in accordance with the provisions of this By-law and in accordance with Schedule B.

3.4.2. **Low-Cost Purchase (LCP)**

A Low-Cost Purchase (LCP) shall be conducted for Acquisitions not covered under an existing Contract or otherwise requiring another Acquisition Method as described in this Purchasing By-Law. Acquisitions within this category are not to be repetitive or

ongoing and are instead intended to be "one-off" or small, multiple purchases with a cumulative value not exceeding the prescribed threshold.

Where practical, three written quotes should be solicited to ensure that a fair and competitive process has been conducted.

The threshold, advertising, approval and purchase execution parameters for this Acquisition method are outlined in Schedule B.

3.4.3. **Request for Quotation (RFQ)**

Use of an Request for Quotation for Goods, Services and Construction shall follow the process outlined below and shall be used only when specifications can be clearly defined:

- A Call for Bid document shall be issued by Director for the solicitation;
- A Call for Bid document should be issued to all Bidders on the Registered Contractor / Supplier List where applicable;
- Award of the Contract shall be to the lowest Compliant Bidder; and
- The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.4.4. **Request for Tender (RFT)**

Use of a Request for Tender for Goods, Services and Construction shall follow the process outlined below and shall be used only when specifications can be clearly defined:

- A Call for Bid document shall be issued by Director for the solicitation;
- Solicitation shall be publicly advertised;
- Award of the Contract shall be to the lowest Compliant Bidder.

3.4.5. **Request for Proposal (RFP)**

Use of a Request for Proposal for Goods, Services and Construction shall follow the process outlined below and may be used when specifications cannot be clearly defined:

- A Call for Bid document shall be issued by the Director for the solicitation;
- Evaluation will be based on the criterion as outlined in the Call for Bid document of which, price is only one criterion;
- Award of the Contract shall be issued or Negotiated (where permitted) with the highest scoring Compliant Proponent;
- The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.4.6. **Request for Standing Offer (RFSO)**

Use of a Request for Standing Offer for Goods, Services and Construction shall be used when:

- There is a need to develop a short list of qualified supplier / contractors that have the capabilities to meet the Township's requirements;
- Specifications can be clearly defined; and,
- Services that will be provided on an "as needed or required" basis.

RFSO shall follow the process outlined below:

- A Call for Bid document shall be issued by the Director for the solicitation;
- Evaluation will be based on the criterion as outlined in the Call for Bid document;
- Selection methodology of the Proponent's will be as outlined in the Call for Bid document;
- The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.4.7. **Request for Information (RFI)**

Use of a Request for Information for Goods, Services and Construction shall follow the process outlined below and shall be used when the requesting service area is seeking information, clarification, comments, feedback and/or reactions from the marketplace that may assist in compiling a potential future Call for Bids:

- A written, formal, non-binding document shall be issued by Director for the RFI;
- If applicable, the RFI may request publicly available commodity cost details for the purpose of budget planning;
- An RFI submission shall not create any contractual obligation between the Township and the respondent;
- The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.4.8. **Request for Expression of Interest (RFEOI)**

Use of a Request for Expression of Interest for Goods, Services and Construction shall follow the process outlined below and shall be used when there is uncertainty regarding the market availability and interest in providing the Goods, Services and/or Construction for which the Township is contemplating Acquisition to assist with a potential future Call for Bids:

- A written, formal, non-binding document shall be issued by the Director for the RFEOI;
- An RFEOI submission shall not create any contractual obligation between the Township and the respondent;
- The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.4.9. **Request for Prequalification (RFPQ)**

Use of a Request for Prequalification for Goods, Services and Construction shall follow the process outlined below and shall be used when the work is considered complex, high risk or there is a need to develop a short list of qualified Proponents that have the capabilities to meet the Township's requirements for an initial phase

of a two or more phase solicitation process:

- A Call for Bid document shall be issued by the Director for the solicitation;
- A subsequent Call for Bid document will be issued as outlined in the RFPQ only to the prequalified Proponents;
- An RFPQ submission shall not create any contractual obligation between the Township and the Proponent;
- Evaluation will be based on the criterion as outlined in the Call for Bid document;
- Selection methodology of the prequalified Proponent's will be as outlined in the Call for Bid document;
- The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.5. Alternative Methods of Procurement

3.5.1. Single Source

A Single Source may only be used when one of the following circumstances applies:

- A Good or Service is compatible with an existing Township owned Good or Service where a substitute Good or Service is available, however the warranty, maintenance, or service will be affected if the substitute is used, and it is therefore not in the Township's best interest to use the substitute;
- A Good or Service is in short supply due to market conditions;
- When either no Bids or no Compliant Bids were received in a Call for Bid process;
- Specific Standards are adopted by Council requiring certain Goods or Services;
- A Good or Service is being purchased for a defined testing or trial use for a predetermined timeframe;
- A Good or Service is of a confidential condition or matter and where the disclosure of such in an open competition could compromise confidentiality of the Vendor/Township or be contrary to public interest; or,
- When the Township has a Lease with a purchase option and exercising the purchase option would benefit the Township.

Negotiations may be used with a Single Source. The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.5.2. Sole Source

A Sole Source may only be used when one of the following circumstances applies:

- A Good or Service is covered by an exclusive right such as a patent, copyright or exclusive licence; or,
- A Good or Service is compatible with an existing Township owned Good or Service or is a replacement part for which there are no substitutes.

Negotiations may be used with a Sole Source. The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.5.3. **Emergency Purchase**

An Emergency Purchase may be authorized by a Director in collaboration with the CAO when it is required to:

- Prevent or alleviate serious delay;
- Maintain essential Township services;
- Maintain security or order;
- Protect public property;
- Protect human, animal, plant life, health or prevent/alleviate a threat to same;
- Comply with official orders issued by an upper tier government; or,
- Comply with the Emergency Response Plan or respond to a State of Emergency.

Negotiations may be permitted and used with this type of purchase. The threshold, advertising, approval and purchase execution parameters are outlined in Schedule B.

3.5.4. **Cooperative Purchase**

Cooperative Purchases are encouraged through any public sector agency where it is in the Township's best interest. Deviations from this Purchasing By-Law may be required and are permitted when engaging with Cooperative Purchases because agencies may have different procurement procedures and strict compliance with all policies may not be practical.

3.5.5. **Unsolicited Proposal**

An Unsolicited Proposal received by the Township shall be reviewed by the relevant Director. Any Acquisitions resulting from the receipt of an Unsolicited Proposal shall comply with the provisions of this Purchasing By-Law.

3.5.6. **Sponsorship**

Sponsorship opportunities will arise from; unsolicited proposals, direct solicitation, or a competitive process. Sponsorship will not result in, or perceived to result in, any competitive advantage, benefit, or preferential treatment outside the sponsorship agreement. There shall be no actual or implied obligation to purchase product or services of any sponsor.

Sponsorship opportunities will be offered in an open, equitable and fair manner; however, it is acknowledged that the majority of sponsorships shall be the result of direct solicitation by Township staff for such purposes without the process of competitive bidding.

The Township will make the sole and final determination as to whether a sponsorship or advertising opportunity may be a competitive or non- competitive arrangement.

3.5.7. **Negotiated Purchase**

Negotiations during Acquisitions may be used under any of the following circumstances:

- When only one submission is received and it exceeds the amount allocated in the budget, Negotiations may be conducted provided that the selected Vendor is Compliant;
- During a Single, Sole or Emergency Purchase;
- When a competitive Bid process has been conducted and an extension of the Contract term is available as outlined in the original Call for Bid;
- When a competitive Bid process has been conducted and the Contract has expired or will shortly expire and unforeseeable circumstances have caused a delay in issuing a new Call for Bid; in such cases, the Contract extension should not extend beyond a one-year term;
- Where a competitive Bid process has been conducted and expanded works or coordinated works are appropriate in the circumstances.

3.6. **Other**

3.6.1. **Specifications**

Staff are responsible for the preparation of the specifications for the applicable Acquisition Method.

Specifications should be clear and concise. They must not be structured to restrict or limit competition due to brand or other similar requirements. They shall allow for potential Vendors to provide alternatives in the event that an equivalent product or method is available. Biasing of specifications in favour of, or against, a particular Good or Service is prohibited. Nothing in this section restricts the ability to design specifications in unique situations, e.g., standardization or compatibility with existing Goods or Services.

Vendors may be requested to expend time, money and effort on the content or in the development of a specification(s) or otherwise help define a requirement to be contained in the specifications that may be used in a Procurement document. A Vendor who provides such assistance shall be deemed as a consultant of the Township and the specifications are deemed property of the Township. Such a Vendor shall be prohibited from submitting a response to a Call for Bid for which those specifications apply.

3.6.2. **Corporate Purchasing Card**

Acquisitions made with the corporate purchasing card must comply with this Purchasing By-Law and the Township's purchasing card program and applicable policies.

No personal purchases may be made with the corporate purchasing card that are not authorized by Township policy. Township Staff shall not use corporate purchases to gain personal points or other similar benefits in any Vendor reward program.

3.6.3. **Bid Review**

When a Bid Irregularity is present, action shall be taken in accordance with the attached Bid Irregularity Schedule.

3.6.4. **Evaluation of Bids**

Evaluations are used with some Acquisition Methods to allot points according to the criteria and submission requirements in the Call for Bid. The highest scoring submission will be the successful Proponent, subject to the terms and conditions of the Call for Bid and this Purchasing By-Law.

3.6.5. **Tie Bids**

In the case of a tie of the scores between two Compliant Bidders/Proponents, and where multiple Awards are not possible, the Township shall determine the successful Bidder/Proponent by a coin toss as outlined in the Purchasing Procedures.

In the case of a tie bid of the scores between three or more Compliant Bidders/Proponents, and where multiple Awards are not possible, the Township shall determine the successful Bidder/Proponent by a draw of the Bidder's/Proponent's names from a receptacle as outlined in the Purchasing Procedures.

3.6.6. **Vendor Performance**

Directors are responsible for monitoring and documenting Vendor performance and ensuring compliance with Contracts. The Director shall address performance issues directly with the Vendor to resolve and document all performance issues and acknowledgements related to same.

Any Vendor (or its subcontractors) that is involved in unprofessional conduct (the nature of which the Township will be the sole judge), a health and safety violation, criminally charged, or in dispute or litigation of any kind with the Township, the Township may terminate the Contract with that Vendor. Alternative Dispute Resolution - Competitive Bid Protest Protocol

3.6.7. **Dispute Resolution**

Meeting between the Bidder and the Director responsible for the procurement or Director of Finance.

If the previous step does not lead to a resolution, the decision can be appealed to the Chief Administrative Officer.

If the previous step does not lead to a resolution, the decision can be appealed to Council.

3.6.8. **Contract Change Order**

A Contract Change Order may be executed by the Director with appropriate signing authority provided that the total project cost has not exceeded the level authorized by Council.

Where a Contract Change Order or the cumulative value of the Contract Change Orders plus the original Contract price exceeds the level authorized by Council, Director shall obtain the appropriate Additional Funding authorization from the Township Council prior to executing the Contract Change Order.

Where a Contract Change Order is to be paid by a third party and the security to ensure payment is in place to the satisfaction of the Director of Finance, the Designate may execute the Contract Change Order. Where a portion of the Contract Change Order is to be paid by the Township, the provisions of section of this Purchasing By-Law shall be followed.

Funding should be in place prior to approving the CCO and prior to the execution of the works. When it is not possible to complete the CCO prior to the execution of the works, it shall be completed as soon as possible after commencement.

3.6.9. **Council Reporting**

The Director shall create a report to Council to be included in the Council agenda for information purposes in the following circumstances:

- Emergency Purchases. For Emergency Purchases, the report will be presented at a meeting subsequent to the event.

The Director shall provide award information on any purchases over \$50,000 through the internal quarterly Council information update..

3.6.10. **Council Approval**

The Director shall create a staff report to be included in the Council agenda for consideration for approval in the following circumstances:

- Where Single Source or Sole Source procurement is being recommended;
- Where an Acquisition or Contract Change Order exceeds the level authorized by Council;
- Where the lowest Compliant Bid submission is not being recommended for Award;
- Where the highest scoring Compliant Proponent proposal submission is not being recommended for Award;
- Where provision(s) of this Purchasing By-Law are being waived;
- Where the Acquisition of a tangible capital asset was not included in the approved capital budget;
- Where Goods, Services or Construction were not included in the approved operating budget and is over \$50,000;
- Any Contract requiring approval from the Ontario Municipal Board;

- Any Contract prescribed by statute *to* be authorized by Council;
- Where Council has directed staff to provide a report for approval.

DEFINITIONS

- 4.1 **"Acquisition"** means the purchase of Goods, Services and/or Construction;
- 4.2 **"Acquisition Method"** means the process by which Goods, Services and/or Construction are purchased;
- 4.3 **"Advertisement"** means the public communication of bid opportunities through one or more predetermined methods that may include, electronic mail, newspaper, electronic tendering method, to ensure an open, fair, transparent and competitive solicitation process;
- 4.4 **"Agreement"** means a legal document that binds the Township and other parties;
- 4.5 **"Approval"** means authorization to proceed with a purchase of Goods, Services and/or Construction or a Disposal;
- 4.6 **"Award"** means the authorization to proceed with the purchase of Goods, Services and/or Construction from a selected Proponent(s);
- 4.7 **"Bid"** means an offer or submission received from a Proponent in response to a Call for Bid, which is subject to acceptance or rejection;
- 4.8 **"Bidder"** means the entity or person who submits a response to a Request for Quote, Request for Tender or Request for Standing Offer;
- 4.9 **"Bid Irregularity"** means a deviation between the requirements (including terms, conditions, specifications, or special instructions) of a Bid Request and the information provided in a Bid;
- 4.10 **"Bid Request"** means a written request for Bids or a solicitation, which may be in the form of a Call for Bid;
- 4.11 **"Call for Bid"** means a formal or informal request for Bid, on the terms and conditions set forth in the Township's Bid documents, that may be in the form of a Request for Quotation, Proposal, Tender, or Standing Offer;
- 4.12 **"Chief Administrative Officer" or "CAO"** means the person appointed to that position as approved by Council and includes his or her Designate;
- 4.13 **"Collusion"** means an activity undertaken by two or more people for the purpose of dividing the market, setting prices, limiting production, or limiting open competition, by deceiving, misleading, or defrauding others of their legal rights, or to obtain an objective forbidden by law, typically by defrauding or gaining an unfair advantage;
- 4.14 **"Competitive Process"** means either an Open Competition or an Invitational

Competition;

- 4.15 **"Compliant Bid" or "Compliant Bidder/Proponent"** means a responsive and responsible Bid or Bidder/Proponent that submits a Bid, respectively, that meets all requirements stipulated in the Call for Bid and that possesses the capacity and ability, including financial and technical abilities, to perform as contractually required;
- 4.16 **"Conflict of Interest"** means a situation where the existence of a personal or business relationship or interest of an elected official, officer or employee of the Township creates a potential conflict with the best interest of the Township.
- 4.17 **"Construction"** means a creation, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work, including site preparation, excavation, drilling, seismic investigations, soil investigations, the supply of products and materials and 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 design or architectural work, but DOES NOT include the Consulting and Professional Services related to the construction Contract unless they are included in the specifications for that Procurement;
- 4.18 **"Consulting and Professional Services"** means those services requiring the skills of a specialist for a defined service and includes architects, engineers, designers, surveyors, planners, accountants, auditors, management professionals, marketing professionals, software and information technology experts, financial consultants, lawyers, law firms, real estate agents and brokers, environmental planners and engineers, hydro geologists, transportation planners and engineers, communications consultants and any other consulting or professional services required by the Township.
- 4.19 **"Contract Change Order" or "CCO"** means a mutually agreed upon addition to, deletion from, or modification of a Contract between the Township and the Vendor that could not have been reasonably foreseen and thereby included in the Call for Bid document;
- 4.20 **"Cooperative Purchase"** means an Acquisition Method that combines the requirements of two or more entities in order to obtain the benefits of volume purchases and/or reduction in administrative effort and costs;
- 4.21 **"Council"** means the Council of the Township comprised of elected officials;
- 4.22 **"Designate"** means a person authorized by the CAO, Director to act on his or her behalf;
- 4.23 **"Director"** means the person responsible for direction and operational control of a Township's service area or authorized Designate(s);
- 4.24 **"Disposal"** means the removal of physical materials or assets owned by the Township and deemed to be Surplus through its sale, trade-in, auction, alternative

use, gift, or destruction;

- 4.25 **"Emergency Purchase"** means an Acquisition that does not follow the regular procurement process because of a circumstance described in this Purchasing By-Law;
- 4.26 **"Invitational Competition"** means a competitive process in which an invitation to submit bids is issued to at least three suppliers;
- 4.27 **"GBAPPC"** means the Georgian Bay Area Public Purchasing Cooperative;
- 4.28 **"Goods"** means moveable property including the costs of installing, operating, maintaining, or manufacturing such moveable property, and any necessary raw materials, products, supplies, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a Construction Contract;
- 4.29 **"Lease"** means a time limited grant of either real or personal property from the owner of that property (known as the "lessor") to another party (known as the "lessee"), under which the lessee is entitled to the use and benefit of the property in question for the period so granted, in exchange for the payment of a stipulated rent or other consideration to the owner;
- 4.30 **"Low-Cost Purchases" or "LCP"** means a purchase of Goods, Services and/or Construction at the thresholds indicated in this Purchasing By-Law;
- 4.31 **"Negotiation"** means the action or process of conferring with one or more Vendors with the goal of reaching an agreement on an Acquisition made pursuant to this Purchasing By-law;
- 4.32 **"Procurement"** means purchasing, renting, leasing or otherwise acquiring any Goods, Services and/or Construction, including the description of requirements, solicitation method, selection of sources, preparation and Award of Contract and all phases of the contract administration;
- 4.33 **"Proponent"** means the entity or person who submits a response to a Request for Proposal or Request for Pre-Qualification;
- 4.34 **"Purchasing Procedures"** means the administrative document that establishes procedures to be followed by Township staff for Acquisition that represents "best practices" and that is consistent with the intent of this Purchasing By-Law;
- 4.35 **"Registered Supplier / Contractors List"** means a list of suppliers or contractors that have participated in and successfully met the requirements of a Request for Pre-Qualification (RFPQ) or Request for Standing Offer (RFSO), and have been selected to perform discrete work assignments involving the delivery of a particular type of Goods, Services and/or Construction;

- 4.36 **"Request for Expression of Interest" or "RFEOI"** means a written, formal, non-binding solicitation document to determine if there is any interest in the marketplace to provide the Goods, Services and/or Construction that the Township is contemplating procuring. It is typically used when it is unknown if a market for the desired Goods, Services and/or Construction exists. A subsequent Call for Bid may follow an RFEOI;
- 4.37 **"Request for Information" or "RFI"** means a written, formal, non-binding solicitation document to obtain information on product or service details, comments, feedback or reactions from potential Bidders/Proponents prior to issuing a Call for Bid. It is typically used when the specifications are unknown. Price is generally not required. Feedback may include best practices, industry standards, and technology issues;
- 4.38 **"Request for Pre-Qualification" or "RFPQ"** means a written, formal, non-binding solicitation document to obtain detailed information from firms and/or individuals that may include their experience, financial strength, education, background and personnel, to prequalify to supply Goods, Services and/or Construction to the Township. The RFPQ may be a precondition to a further Call for Bid opportunity;
- 4.39 **"Request for Proposal" or "RFP"** means a written Call for Bid document to obtain proposal submissions from firms and/or individuals where detailed specifications cannot be clearly identified and/or where price is not the primary evaluation factor. RFP's may have provisions for Negotiations and may be in a single or multi-step process;
- 4.40 **"Request for Quotation" or "RFQ"** means a written Call for Bid document used for Acquisitions based on clearly defined specifications;
- 4.41 **"Request for Tender" or "RFT"** means a written, formal, Call for Bid document used for Acquisitions based on clearly defined specifications;
- 4.42 **"Request for Standing Offer" or "RFSO"** means a written, formal, Call for Bid document used for Acquisition based on clearly defined specifications from one or more Vendors to provide pricing for a defined time period on an "as needed" basis, where there are no defined quantities nor commitment to utilize the awarded Vendor(s);
- 4.43 **"Service"** means the services to be provided under a contract and includes labour and Consulting and Professional Services;
- 4.44 **"Single Source"** means the Procurement decision whereby Acquisitions are made from one source where other sources may be available;
- 4.45 **"Sole Source"** means the Procurement decision whereby Acquisitions are made from one source where only one source of supply exists that meets the requirements of the Township;

- 4.46 **"Surplus"** means Goods fully owned by the Township that have been deemed surplus by the relevant Director and are no longer required by the Township;
- 4.47 **"Tender"** means a Bid specifically provided in response to a Request for Tenders;
- 4.48 **"Township"** means The Corporation of the Township of Severn;
- 4.49 **"Director of Finance"** means the person as appointed by Council and includes his or her Designate(s);
- 4.50 **"Unsolicited Proposal"** means an offer or proposal submitted by a contractor, supplier, Vendor or consultant, in the absence of a Call for Bid. It may be submitted in response to a perceived need but not in response to a Call for Bid;
- 4.51 **"Vendor(s)"** means the entity or individual who may or does currently supply Goods, Services and/or Construction to the Township.

Schedule A – Goods & Services Exempt from Provision of the Purchasing Policy

Training and Education

- Books
- Conferences
- Courses
- Conventions
- Memberships
- Seminars
- Periodicals
- Magazines
- Staff training
- Staff development
- Staff workshops
- Subscriptions

Refundable Employee Expenses

- Advances
- Meal allowances
- Travel & Hotel accommodation
- Entertainment
- Mileage
- Miscellaneous - Non-Travel

Employer's General Expenses

- Payroll deduction remittances
- Licences (vehicles, elevators, radios, etc.)
- Debenture payments
- Grants to agencies/donations
- Payments of damages
- Tax remittances
- Charges to/from other Government or Crown Corporations
- Employee wages
- Freight charges
- Emergency Repairs/Service including Legislated Inspections
- Unleaded Gasoline or Diesel while travelling

Professional and Special Services

- Committee fees
- Witness fees
- Court reporters' fees
- Honoraria
- Arbitrators
- Legal settlements

- Temporary Help
- Recreation Instructor Fees
- Courier Charges
- Legal fees

Utilities/Other

- Postage
- Water and sewer charges
- Hydro
- Cable television charges
- Telephone, connectivity (excluding cellular services)
- Natural gas/propane
- Refunds and rebates to ratepayers
- Utility relocates by a public utility Vendor
- Collection Agencies (ex: Tax Sale Services)
- Land and Building Acquisition and Disposal – Exempt unless otherwise directed
- Advertising
- Classified advertising such as help wanted, for sales, etc.
- Display advertising such as event notices
- Public Tender advertising

Schedule B – Summary of Thresholds for Purchasing

Purchase Type	Purchase Threshold	Procurement Method	Advertising	Approval	Purchase Execution
Low-Cost Purchase (LCP)	\$0 - \$25,000	Non-competitive	Not Practical	Manager	Petty Cash or; Corporate Credit Card or; Vendor Invoice
Invitational Request for Quotation (IRFQ)	\$25,001 - \$100,000	Invitational Competition	Not Required	Director	Purchase Order
Request for Quotation (RFQ)	\$100,001+	Non-Binding Type Open Competition	Public Advertisement	Director of Finance	Execute Agreement
Request for Tender (RFT)	\$100,001+	Binding Type Open Competition	Public Advertisement	Director of Finance	Execute Agreement
Request for Proposal (RFP)	\$100,001+	Non-Binding Type Open Competition	Public Advertisement	Director of Finance	Execute Agreement
Invitational Request for Proposal (IRFP)	\$0 - \$100,000	Invitational Competition	Not Required	Director	Purchase Order
Request for Standing Offer (RFSO)	Any Amount	Non-Binding Type Open Competition	Public Advertisement	Not Applicable	Not Applicable
Request for Pre-Qualification (RFPQ)	Not Applicable	Non-Binding Type Open Competition	Public Advertisement	Not Applicable	Not Applicable
Request for Information (RFI) or Expression of Interest (EOI)	Not Applicable	Non-Binding Type Open Competition	Public Advertisement	Not Applicable	Not Applicable
Single Source or Sole Source	\$25,000+	Non-competitive	Not Applicable	Council	Purchase Order <\$100,000 Execute Agreement > \$100,000

Purchase Type	Purchase Threshold	Procurement Method	Advertising	Approval	Purchase Execution
Emergency Purchase	\$25,000+	Not Applicable	Not Applicable	Director and Director of Finance approval required and; Vendor quotation, if possible and practical give the circumstance; Report to Council is required outlining purchase and the reason for the purchase.	Purchase Order <\$100,000 Execute Agreement > \$100,000
Purchases where the Provisions of the By- law are being Waived	Any Amount	Not Applicable	Not Applicable	Director shall review the purchases with the Director of Finance prior to pursuing Council approval is required	Purchase Order <\$100,000 Execute Agreement > \$100,000

Schedule C – 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.

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/Proponent could gain an unfair advantage over competitors. Purchasing Services shall reject any bid, which contains a major irregularity.

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

Action Taken:

- Staff shall 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/Proponent may rectify)
- The list of irregularities in this schedule should not be considered all-inclusive. Staff will review minor irregularities not listed and acting in consensus shall have authority to waive other irregularities or grant two (2) business days to initial such irregularities, which they jointly consider to be minor.
- Where a submitter has been given notice of a specified time period to correct an irregularity, the submitter shall be deemed to be in default of the process and, where applicable, the bid deposit shall be forfeited if the correction is not made. The submission will be given no further consideration for award.

This Bid Irregularity List shall apply where the irregularity is with respect to a stated requirement of a Formal Call for Bid (RFQ, RFP, and RFT) or Information Gathering Bid (RFEOI, RFI, RFPQ) and where the submission must be received on/before a specified date and time.

Bid Irregularities - Summary

General

ITEM	IRREGULARITY	MAJOR	MINOR	ACTION
1	Late Submissions		<input type="checkbox"/>	Automatic Rejection
2	Failure to Attend Mandatory Site Visit		<input type="checkbox"/>	Automatic Rejection
3	Partial Submissions (all items not bid on).		<input type="checkbox"/>	Acceptance only if Bid document allows for partial items to be bid on, otherwise automatic rejection.
4	Conditional Submissions (Ex. Submissions qualified, based on a Bidder's/Proponent condition or restricted by an appointed statement.		<input type="checkbox"/>	Rejection unless, in the opinion of staff, the qualification or restriction is minor a would not adversely affect an award decision end/or the total price.
5	Submissions Containing Minor Obvious Clerical Errors that do not result in any ambiguity with respect to the overall submission and/or award decision.	<input type="checkbox"/>		Two (2) business days to correct and initial errors.
6	Submitter has not been previously qualified under a related pre-qualification process, where applicable.		<input type="checkbox"/>	Automatic Rejection
7	Other Municipalities.	<input type="checkbox"/>		Staff shall have the authority to waive irregularities, which are considered minor.
8	Any Irregularity.	<input type="checkbox"/>		Despite the provisions herein contained, Council may waive any irregularity where it considers it to be in the best interest of the Township.

Bid Documents

ITEM	IRREGULARITY	MAJOR	MINOR	ACTION
9	Bid submitted in other than the original Bid Form Format.		✓	Automatic Rejection
10	All Mandatory sections of the document are not completed.		✓	Automatic Rejection
11	Bid Forms not signed, signature missing or authority to bind missing.		✓	Automatic Rejection
12	Failure to acknowledge addendum(s).		✓	Automatic Rejection

13	Incomplete, illegible or obscure submissions which contain additions not called for, erasures, alterations, or strike-out errors or irregularities of any kind that are immaterial.	✓		The Bidder/Proponent will be allowed two (2) days to correct the irregularity if deemed immaterial by staff.
14	Submissions not completed in English.		✓	Automatic Rejection
15	Submissions received on Call for Bid documents other than those provided on tender form/documents from the Township.		✓	Automatic Rejection
16	Alternate items provided in whole or in part.	✓		Available for further consideration unless specified otherwise in the request.
17	Pages requiring completion of information by Bidders/Proponents are missing.		✓	Automatic Rejection

Bid Deposit

ITEM	IRREGULARITY	MAJOR	MINOR	ACTION
18	Bid Deposit (Certified Cheque) not submitted with submission.		✓	Automatic Rejection
19	Bid Deposit (Certified Cheque) not in the acceptable form.		✓	Automatic Rejection
20	Township is unable to verify authenticity of Bid Deposit.		✓	Automatic Rejection
21	Amount on Bid Deposit (Certified Cheque) is incorrect and/or insufficient.	✓		Two Business Days to Rectify.
22	Effective period of Certified Cheque is less than the irrevocable period stipulated in the Call for Bid.	✓		Two Business Days to Rectify.

Pricing

ITEM	IRREGULARITY	MAJOR	MINOR	ACTION
23	Failure to include the Schedule (s) of Items & Prices, Price Form, Unit Pricing, Lump Sum Pricing or Price Details, as may be applicable, for inclusion with the submission.		✓	Automatic Rejection
24	Conditions placed by the Bidder/Proponent on the Bid.		✓	Automatic Rejection

25	Pricing appears to be unbalanced to the extent that it would have a significant adverse effect to the Township if awarded.		✓	Automatic Rejection
----	--	--	---	---------------------

Post Award Notification

ITEM	IRREGULARITY	MAJOR	MINOR	ACTION
26	Failure to execute required financial security within the prescribed time period.		✓	Automatic rejection and Bid Deposit Forfeited
27	Failure to provide supporting documents, as specified within the bid document and within the prescribed time period.		✓	Automatic rejection and Bid Deposit Forfeited

Appendix 1 - Vendor Performance Management Procedure

This procedure outlines the conditions and procedures for managing performance of Vendors providing services to the Township of Severn.

Definitions

- Vendor Incident Report: means to document events of deficient performance or infractions, where a corrective action plan is required of the Vendor.
- Vendor Evaluation Report: means an evaluation on a Vendor's performance from the date of Contract commencement to the expiration of the guarantee/warranty period.
- Suspension: The temporary prohibition of a Vendor from providing goods and/or services to the Township.
- Vendor: Any individual or organization who is contracted to provide goods and/or services to the Township, including consultants, contractors, and suppliers.
- Contract Administrator: means the Township's representative and/or Consultant responsible for the administration of the Contract.

1. Vendor Performance Management System

A Vendor performance management system is an effective way to ensure that Vendors are meeting the standards and expectations outlined by the Township. It provides a mechanism for monitoring and assessing the performance of Vendors over time to ensure that their performance consistently meets the requirements.

It is the intent of this procedure to improve the procurement process by providing feedback on Vendor performance so that corrective actions can be taken; finding areas where procurement process improvements can be made; identifying Vendors who are consistently not meeting the standards and expectations; and recognising Vendors who are providing the highest quality goods and services in the timeliest manner.

2. Performance Evaluation Reports

Vendor performance is critical to the success of procurement projects. Poor workmanship, unnecessary Contract delays and unsafe work practices will not be tolerated. Vendors shall perform all work in accordance with the terms and conditions of their Contract and all applicable legislations. Performance Evaluation Reports will be used to formally notify Vendor's of their performance.

Vendor Incident Report

The Contract Administrator will notify the Vendor of its performance deficiency or infraction upon realization and provide the Vendor with a completed and signed VIR for their response. Vendors are to provide response within seven (7) Calendar Days from date of receipt of the

VIR. Failure to provide a response within the prescribed timeframe may result in an immediate stop work order being issued until such time that a response is received.

Should the situation arise that the corrective action plan does not satisfy the Contract Administrator, the Vendor and Contract Administrator shall discuss possible alternatives until a mutually agreed upon resolution is achieved. The Vendor shall not proceed with undertaking any corrective action unless agreed to by the Contract Administrator.

If the Vendor receives reoccurring VIRs related to the same issue(s), the Contract Administrator will meet with the Vendor to clearly identify and discuss the performance issues, determine the permanent corrective action that will be taken to rectify and avoid continued reoccurrence of the performance issues, and obtain the Vendor's signature on the VIR for agreement with the discussed corrective action. Should the issue not be rectified after meeting with the Vendor, the Contract Administrator shall seek assistance from the Finance Department to enforce the Contractual obligations.

Vendor Evaluation Report

If the Vendor receives a "Below Standard" rating on any of the rated criteria in a VER, the Contract Administrator will meet with the Vendor to clearly identify and discuss the reasoning for the poor rating and will consider any comments or explanations provided by the Vendor when completing the final VER.

If the Vendor receives a "Below Standard" rating on any of the rated criteria in the final VER, the Contract Administrator will consult with the Finance Department, prior to issuing the VER to the Vendor, regarding recommendation for future work.

3. Performance Recommendations

Based on the VER, the Contract Administrator will make a recommendation to either allow the Vendor to continue participating in future procurement processes or to suspend the Vendor from participating in future procurement processes in accordance with Vendor Suspension Procedure.

Recommendation for Continued Participation

If the VER results in a recommendation to allow the Vendor to continue participating in procurement processes, the Contract Administrator will notify the Vendor of its final rating and the resulting recommendation and provide the Vendor with a copy of the completed and signed VER.

Recommendation to Suspend

If the VER results in a recommendation to suspend the Vendor from participating in future procurement processes in accordance with Vendor Suspension Procedure, the Contract Administrator will submit the VER to the Finance Department for review. The Finance Department will ensure that the VER is complete and will discuss any ratings with the Contract

Administrator to ensure it accurately reflects the Vendor's performance. The Township may suspend the Vendor from participating in future procurement processes for a period of up to three (3) years.

4. Retention of Evaluation Reports

The Contract Administrator will retain all original VIR, and VER Reports and will provide the Finance Department with a copy of each. The Finance Department will retain copies in the respective Contract file, in accordance with the Records Management By-Law.

5. Communications

At the outset of the Contract, the Vendor will be provided with the VIR and VER forms that will be used to rate the Vendor's performance in accordance with this Procedure.

The Contract Administrator will provide written notice of any Vendor performance related correspondence. This communication may be provided via mail, email, or other means of written communication.

The Contract Administrator will notify the Vendor of its final rating and the resulting recommendation, provide the Vendor with a copy of the completed VER and advise the Vendor that any dispute in respect of the recommendation must be set out in a written statement of dispute and submitted to the Finance Department within ten (10) Business Days.

6. Disclosure of Results to Others

The results of any Vendor evaluation report are intended to be disclosed internally across departments and may be disclosed to other government bodies upon request and to any entity for which it can be demonstrated that the Vendor listed the Township as a reference.

7. Consideration of Performance in Evaluation of Bids

The Township may consider past performance evaluation results in the evaluation of future bids from the Vendor, whether or not the past performance resulted in suspension in accordance with the Vendor Suspension Procedure and may exclude a Vendor based on significant or persistent deficiencies in past performance.

8. Appeal Process

The Vendor may appeal the suspension by submitting a written request for review to the Township within 30 days of receiving the notice of suspension. The Township will then review the request and determine if the suspension will be upheld or rescinded. The decision with respect to suspension of the Vendor will be made in accordance with the Vendor Suspension Procedure. The completed VER will fulfil the requirement for a written Suspension

Recommendation Report under the Vendor Suspension Procedure. The Dispute Committee will consider the Vendor's statement of dispute, if any, in making a decision. A decision made under the Vendor Suspension Procedure is final.

9. Monitoring

The Township will monitor Vendors to ensure they are in compliance with all applicable policies and regulations.

Appendix 2 - Vendor Suspension Procedure

This procedure outlines the conditions and procedures for suspending Vendors from providing services to the Township of Severn.

Definitions

- Suspension: The temporary prohibition of a Vendor from providing goods and/or services to the Township.
- Vendor: Any individual or organization who is contracted to provide goods and/or services to the Township.

1. Reasons for Suspension

A Vendor may be suspended for any of the following reasons:

- Non-payment of fees or other monies due to the Township;
- Failure to comply with contractual obligations or Township policies or regulations;
- Fraudulent activity or misrepresentation of goods and/or services;
- Failure to deliver goods and/or services in a timely manner;
- Refusal to provide goods and/or services upon request;
- Any other activity deemed to be detrimental to the Township.

2. Notice of Suspension

The Township will provide written notice of suspension to the Vendor, including the reasons for the suspension and a timeline for rectifying the issues. This notice may be provided via mail, email, or other means of communication.

3. Appeal Process

The Vendor may appeal the suspension by submitting a written request for review to the Township within 30 days of receiving the notice of suspension. The Township will then review the request and determine if the suspension will be upheld or rescinded.

4. Reinstatement

Once the issues causing the suspension have been rectified, the Vendor may request reinstatement by submitting a written request to the Township. The Township will then review the request and determine if the Vendor is eligible for reinstatement.

5. Monitoring

The Township will monitor Vendors to ensure they are in compliance with all applicable policies and regulations.

6. Penalties

The Township may impose penalties if a Vendor is found to be in violation of any procedure or regulation. These penalties may include, but are not limited to, financial penalties such as liquidated damages, suspension of services, and/or termination of the agreement.