



THE CORPORATION OF THE TOWN OF PLYMPTON-WYOMING

BY-LAW NUMBER 93 of 2011

Being a By-law to adopt a Procurement Policy of the Corporation of the Town of Plympton-Wyoming

WHEREAS Section 270 of the *Municipal Act* 2001 requires that a municipality shall adopt and maintain policies with respect to the procurement of goods and services;

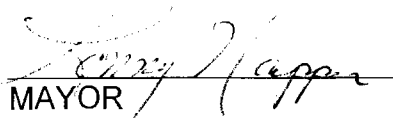
AND WHEREAS the Council of the Corporation of the Town of Plympton-Wyoming deems it expedient to update the Town's Procurement Policy;

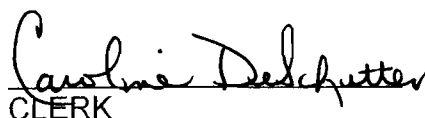
AND WHEREAS this policy will be subject to periodic review;

NOW THEREFORE the Council of the Corporation of the Town of Plympton-Wyoming enacts as follows:

1. That By-law 100 of 2004, being the Town's Procurement Policy be repealed;
2. That Schedule "A" of this by-law be adopted as the procurement policy of the Town of Plympton-Wyoming;
3. That this by-law shall come into full force and effect upon final passing thereof.

TAKEN AS A READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS 14th DAY OF DECEMBER, 2011.


MAYOR


CLERK

SCHEDULE "A"
BY-LAW NUMBER 93 OF 2011
PROCUREMENT POLICY BY-LAW
THE CORPORATION OF THE TOWN OF PLYMPTON-WYOMING

PROCUREMENT POLICY

PURPOSE

The purpose of this policy is to:

- i set out guidelines for the purchasing of materials, supplies and services
- ii promote the most cost-effective and efficient use of municipal funds
- iii promote a process that is open, transparent and fair.

EXPENDITURE APPROVAL

Purchasing of goods and services for the municipality is authorized by the Council through budget allocations and or specific Council resolutions. The purchasing policy provides guidelines to undertake the purchasing process.

GENERAL PROCUREMENT PROCEDURES

The following area authorized procedures for the procurement of goods and services.

<u>Procedure</u>	<u>Project Cost</u>
Petty Cash	Not to exceed \$200.00
Direct Purchase Process	Not to exceed \$10,000.00 to be approved by Department Head
Informal Quotation Process	Not to exceed \$25,000.00 to be approved by Treasurer
Tender/Request for Proposal Process	Greater than \$25,000.00 to be approved by Council

The dollar limits above refer to invoice cost inclusive of taxes.

Department Head for the purpose of this policy will refer to Director of Public Works and Engineering, Clerk, Treasurer and Fire Chief(s). For the purpose of this policy, when referring to a Department Head or Treasurer it may also mean "their designate".

No requisition, purchase, or contract shall be divided in order to avoid the requirements of the dollar value limits of this section.

Where goods and services of a similar type are to be supplied on a repetitive basis from one or more suppliers either over a period of time in a calendar year or over the course of a season, those goods and services shall be purchased in accordance with the provisions of this by-law applicable to goods and services having a price or value equal to the total estimated cost of all such similar goods and services to be supplied in the whole calendar year or during the course of the entire season as the case may be. The appropriate procedure above will be utilized according to the total dollar value.

PURCHASES NOT TO EXCEED \$200

PETTY CASH

1. A petty cash fund will be maintained to meet the requirements of acquisition of goods and services having a value of \$200 or less.
2. Petty cash purchases shall be made from the competitive marketplace where practical.
3. All petty cash disbursements shall be evidenced by Petty Cash Summary slips. The slips will accompany the cheque requisition form used to replenish the fund monthly.

PURCHASES NOT TO EXCEED \$10,000

DIRECT PURCHASE PROCESS

1. Purchases with an estimated value not greater than \$10,000 may be made without securing written quotes.
2. Notwithstanding the procedure chosen, it shall demonstrate that fair market value was achieved.
3. The supporting documentation will be submitted to and reviewed by the Department Head to ensure completeness and compliance with the prescribed policy and procedures and estimated budget as approved by Council.

This method of purchase refers to the direct ordering and purchase of goods and services from a supplier with or without negotiation. This method of purchase will be used primarily for the purchase of low value goods where the cost and administrative burden of other methods of purchase may be equal to or greater than the price or value of the goods purchased. Department Heads are encouraged to use their own judgment to promote the principles of this policy in any direct purchase.

PURCHASES NOT TO EXCEED \$25,000

INFORMAL QUOTATION PROCESS

Purchases with an estimated value not greater than \$25,000 shall be obtained using a competitive process. The requirements of the competitive process may be waived under authority of the Council of the Town of Plympton-Wyoming. In this case, the competitive process will be replaced by the negotiated method (see Addendum "A"). Should the negotiated method of purchase be employed, the Council of the Town of Plympton-Wyoming must clearly state that this was the case and give the justification for the decision.

1. The Department Head shall obtain written quotes from suppliers without formal advertising or receipt of sealed bids. At least three (3) written quotes, where practical, shall be obtained from those vendors able to supply the goods or services in a responsible and responsive manner.
2. The supporting documentation will be submitted via a purchasing report (see Addendum "B"), reviewed and approved by the Treasurer to ensure completeness and compliance with the prescribed policy and procedures and estimated budget as approved by Council.

This method of purchase is a competitive method. The specifications for the goods and services and terms of purchase will be established with sufficient particularity to permit comparable quotations to be made by suppliers. A sufficient number of suppliers shall be requested to submit quotations on the specifications and terms of purchase so that at least three responsive quotations are received. Quotations can be issued and received by e-mail and/or fax transmission.

PURCHASES TO EXCEED \$25,000

TENDER/REQUEST FOR PROPOSAL PROCESS

1. The acquisition of all goods and/or services having an estimated value greater than \$25,000 shall be obtained using a Tender or Request for Proposal process and may require vendor pre-qualification. The requirements of the competitive process may be waived under the authority of the Council of the Town of Plympton-Wyoming. In this case, the competitive process will be replaced by the negotiated method. Should the negotiated method of purchase be employed, the Council of the Town of Plympton-Wyoming must clearly state that this was the case and give the justification for the decision.
2. The Tender/Request for Proposal documents will be received, opened, and summarized by a committee comprised of the Treasurer and a Department Head.
3. A written report with recommendation will be forwarded to the Council for approval.

TENDER VERSUS REQUEST FOR PROPOSAL

A Tender shall be issued for purchases exceeding \$25,000 where all of the following criteria apply:

1. two or more sources are considered capable of supplying the requirements,
2. the requirement is adequately defined to permit the evaluation of tenders against clearly stated criteria,
3. the market conditions are such that tenders can be submitted on a common pricing basis,
4. it is intended to accept the lowest priced compliant bid without negotiations.

This is a competitive method of purchase which may include supplier or contractor prequalification. The tender process follows the general procedures set out below. Contractor and Supplier Qualification (if applicable), Development of Specifications and Contract Terms Publication, Advertising at a minimum of the website and Solicitation of Tenders Receiving and Opening of Bids, Bid Evaluation and Selection. The specifications and contract terms are detailed within the tender documents in such a degree that there is no prospect of negotiations between the parties. It is intended to accept the lowest priced compliant bid, as all the terms, conditions and specifications must be met by the bidders. A 10% Bid Bond to ensure lowest bid is required.

A Request for Proposal should be issued where one or more of the criteria for issuing a Tender cannot be met, such as:

1. owing to the nature of the requirements, suppliers are invited to propose a solution to a problem, requirement or objective and the selection of the supplier is based on the effectiveness of the proposed solution rather than on price alone, or
2. it is expected that negotiations with one or more bidders may be required with respect to any aspect of the requirement.

This method of purchase involves the solicitation of proposals. It may or may not include pre-qualification. In this method of purchase, some or all of the specifications and contract terms may not be finally determined with sufficient

certainty to form the basis of a final contract before proposals are solicited and submitted. It may be expected that there will be some variation in the final specification and contract terms among and between responsive proponents. The process may involve negotiations subsequent to the submission of proposals on any or all of the specifications, contract terms and price. A 10% Bid Bond to ensure lowest bid is required.

In general, the Request for Proposals process encourages different solutions from vendors and actively searches for better and more creative ideas for supply of goods and services. It provides a process whereby the negotiation and award is based on demonstrated competence, qualifications and the technical merits of the Proposal at a fair price.

AWARD CONSIDERATIONS

In addition to price, consideration may be given to the following in determining the lowest responsible bidder:

1. the ability of, capacity, and skill of the bidder to provide the goods or services requested,
2. the ability of the bidder to perform the contract or provide the services promptly or at the time specified without delay or interference,
3. the character, integrity, reputation, judgment, experience and efficiency of the bidder,
4. the quality and performance of previous contracts, good or services,
5. the sufficiency of the financial resources and ability of the bidder to perform the contract or provide the goods or services,
6. the quality, availability and adaptability of the goods or contractual services to the particular use required,
7. the ability of the bidder to provide future maintenance and services for the items acquired, and
8. the number and scope of conditions attached to the bid.

EMERGENCY PURCHASES

Where a situation arises requiring the immediate procurement of goods or services essential to prevent serious delays in the work of any Department or which might involve danger to life, health or safety of employees, or the public, or to prevent damage to property, goods or services may be purchased without regard to this by-law. As soon as reasonably practical, the purchaser shall notify the Treasurer.

EXEMPTIONS (Exemptions from Procurement Policies)

This Procurement Policy establishes the purchasing policies and practices applying to the purchase of all types of goods and services with the exception of the following:

1. the borrowing and investing of money
2. the rental, lease, purchase and sale of property, land or accommodation
3. the admission or registration for conferences, conventions, courses, workshops and seminars
4. memberships in professional and vocational associations and their publications
5. utilities including hydro, gas, basic telephone
6. employee benefits
7. insurance
8. the hiring of employees under the hiring policy
9. licenses, certificates and other approvals required
10. professional services engineering, legal, auditing, etc.

GENERAL

This policy shall be read with all necessary changes of genders and changes of singular to plural which may be required in its context.

Notwithstanding the provision of this policy, the municipality shall have the right to reject the lowest or any bid in its absolute discretion.

ADDENDUM "A"

PROCUREMENT POLICY

NEGOTIATION METHOD OF PURCHASING

This method of purchase refers to the negotiation of an agreement for the purchase of goods and services from a supplier where there is no open competition. It may be used in the following circumstances:

1. when goods or services are available from only one source;
2. where compatibility within an existing product or process is the overriding consideration;
3. when two or more identical lowest bids have been received;
4. when, due to market conditions, goods are in short supply;
5. when all acceptable bids exceed the amount budgeted and re-tendering would not be beneficial;
6. when the extension or reinstatement of the existing contract would be the most cost effective or beneficial method and is in the best interest of the municipality;
7. when an emergency, where goods and services are deemed necessary and time and safety concerns reasonably limit the use of any other prescribed procurement process;
8. when no bids are received on a formal quotation, tender or request for proposal;
9. when goods are required for resale and thus an important factor in choosing a successful bidder is marketability and profitability;
10. where the best interest of the municipality would be served through negotiations.

Authority to incur expenditures of municipal funds through the negotiation method shall be subject to the same spending approval levels as outlined in the policy.

In accordance with the negotiation method, the requirements for inviting tenders and quotations will be waived.

The methods of negotiation shall be those accepted as standard negotiating procedures that employ fair and ethical practices. The information pertinent to and the results of all such negotiations shall be reported to the Treasurer.

ADDENDUM "B"

PROCUREMENT POLICY

PURCHASING REPORT



The Corporation of the Town of Plympton-Wyoming

Report to:

From:

CC:

Approved by:

Signature: _____

Date:

Re:

Recommendation:

Background Information

Results

Financial Implications

Attachments

Employee's Name

Title

Town of Plympton-Wyoming

CORPORATION OF THE TOWN OF PLYMPTON-WYOMING

BY-LAW 19 of 2015

**Being a By-Law to amend By-law 93 of 2011
with respect to the procurement of goods and services**

WHEREAS pursuant to Part 1 of Ontario Regulation 191/11, made under the *Accessibility for Ontarians with Disabilities Act, 2005* S.O. 2005, c.11, designated public sector organizations shall incorporate accessibility criteria and features when procuring or acquiring goods, services or facilities, except where it is not practicable to do so; and

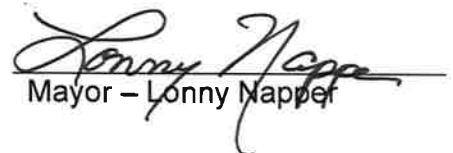
WHEREAS the Town of Plympton-Wyoming has adopted By-law 81 of 2013, being a by-law to authorize an Integrated Accessibility Standards Policy for the Town of Plympton-Wyoming; and

WHEREAS it is deemed expedient to update the Procurement Policy with the accessibility requirements found in the Integrated Accessibility Standards Policy;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF PLYMPTON-WYOMING ENACTS AS FOLLOWS:

1. That the attached Schedule A to this by-law shall be Schedule B of By-law 93 of 2011 of the Town of Plympton-Wyoming.
2. That the Chief Administrative Officer is hereby authorized to make whatever minor changes to the policy as may be necessary and reasonable in the circumstances.
3. That all other by-laws or parts of by-laws inconsistent with this by-law are hereby repealed.
4. That this By-law shall come into force and take effect on and from the date it is finally passed by Council.

Read a first and taken as read a second and third time and finally passed this 29th day of April, 2015.



Mayor – Lonny Napper



Clerk – Brianna Coughlin

Schedule A to By-law 19 of 2015

Schedule B to By-law 93 of 2011

Pursuant to the General Requirements of Ontario Regulation 191/11 (Integrated Accessibility Standards), the Town of Plympton-Wyoming is committed to incorporating accessibility criteria and features when procuring or acquiring goods, services or facilities. Accessibility criteria shall be considered when developing the design specifications for the procurement of any goods, services or facilities. When it is not practicable to do so, the Town shall document and provide an explanation, upon request.