



## Policy Manual

**Policy Number: CORPORATE-012**

**Subject: PURCHASING POLICY**

### **Policy Statement:**

#### **Purpose / Objective**

The purpose of this Policy is to detail the principles, procedures, roles and responsibilities for the operations of the City's acquisition of goods and services, and its disposition of surplus goods.

The City recognizes that the taxpayers expect and have the right to receive a high level of services at the best value. The City is committed to maintaining a high standard of professionalism in the management of its public resources. The strategic objectives of the City's business practices are reflected in this Policy.

The City will take the necessary actions to ensure it complies with applicable trade agreements, legislated requirements, and best Procurement practices in the public sector. All competitive opportunities will be open where required, fair, and transparent.

This Policy applies to the Procurement of all goods, services, and construction for the City.

### **Policy Statement Details**

#### **SECTION 1**

#### **PURPOSE AND PRINCIPLES**

##### **1.01 Purpose**

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## **1.02 Principles**

The City is committed to conducting its Procurement operations in accordance with the following principles:

- (a) **Legal and Policy Compliance**  
Compliance and consistency with applicable legislation and other laws, policies, and procedures.
- (b) **Fair and Transparent Access**  
Open, fair, and transparent processes that afford equal access to all qualified Suppliers.
- (c) **Trade Agreement Alignment**  
Reciprocal non-discrimination and geographic neutrality with respect to its trading partners in line with federal and provincial trade treaty obligations.
- (d) **Best Value Procurement**  
Achieving best value through consideration of the full range of Procurement methods and the adoption of reasonable public best practices.
- (e) **Accountability and Efficiency**  
Effective balance between accountability and efficiency.
- (f) **Ethical Standards**  
Ensuring adherence to the highest standards of ethical conduct.
- (g) **Standard for Value**  
Establishing standardization of goods, equipment, and technology wherever possible to realize best value.
- (h) **Quality and Cost Efficiency**  
Procuring the necessary quality and quantity of Deliverables in an efficient, responsive, and cost-effective manner.
- (i) **Integrity in Business Processes**  
Ensuring business processes are conducted with fairness, integrity, accountability and transparency.
- (j) **Conflict-Free Awards**  
Ensuring that all Procurement awards and Contracts are free of any conflict of interest or bias.

## **SECTION 2**

### **INTERPRETATION AND APPLICATION**

#### **2.01 Definitions**

For the purpose of this Policy:

“Appointed Member” means a member appointed by City Council or Board, Advisory Committee, Sub-Committee or Task Force, each as defined in Section 1.0 (Definitions) of Corporate Policy - 028 (Appointment of Citizen Members to City of Brantford Boards, Advisory Committees, Task Forces and Other Committees to which Council Makes Appointments).

“Board” means a body that governs, manages, or operates.

“Bid” means a submission in response to a Solicitation Document, and includes tenders, proposals, quotations, or other response.

“CAO” means the City’s Chief Administrative Officer.

“City” means The Corporation of the City of Brantford.

“Cooperative Procurement” means the process by which the City participates in or utilizes Contracts established by other entities or Group Purchasing Organizations (GPO) to Procure Deliverables.

“Competitive Process” means the solicitation of Bids from multiple Suppliers.

“Contract” means a commitment by the City for the Procurement of Deliverables from a Supplier, which may be evidenced by an agreement executed by the Supplier and the City, or a purchase order issued by the City to the Supplier.

“Council” means the City’s legislative body, being comprised of the Mayor and Councillors.

“Deliverables” means any goods, services, or construction, or combination thereof.

“Department” refers to any organizational unit within the City, including all City staff and divisions that are authorized to initiate or participate in Procurement activities.

“Director of Purchasing” means the City staff member with responsibility for oversight of Procurement functions, which as of the date of this Policy is titled the “Director of Facilities and Procurement”.

“Elected Official” means a member of (Brantford) City Council.

“Emergency” means that Council, or the CAO together with either the Fire Chief or the applicable Commissioner has determined that there is an unforeseeable or impending situation requiring immediate Procurement in order to:

- (i) restore or maintain sufficient levels of required Deliverables; or
- (ii) prevent or mitigate danger to life, health, or property; or

- (iii) avoid a substantial or significant interference with City municipal operations.

“Exclusion” refers to the removal of a Supplier’s eligibility to participate in future Competitive Processes for a specific time period.

“Expression of Interest” or “EOI” means a Request for Information.

“Group Purchasing Organization” or “GPO” refers to an entity that leverages the collective purchasing power of a group of businesses to obtain discounts from Suppliers based on collective buying power of the GPO members.

“Invitational Competition” means a Competitive Process in which the City issues an Invitational Request for Quotation (IRFQ) to submit Bids to at least three Suppliers.

“Invitational Request for Quotations” (“IRFQ”) means a request for prices on specific Deliverables from selected Suppliers.

“Legal Services” means the City Solicitor or their designate with respect to Procurement matters.

“Low Value Procurement” means the process of Procuring Deliverables with a Procurement Value that does not exceed \$25,000.

“Manager of Purchasing” means the City staff member with primary responsibility for carrying out Procurement operations, which as of the date of this Policy is titled the “Manager of Purchasing”

“Non-Standard Procurement” means a Procurement described in Section 6.07.

“Open Competition” means a Competitive Process in which the Purchasing Division issues a publicly posted Solicitation Document.

“Procurement/Procure” means the process of acquiring Deliverables by purchase, lease, rental, or other means, including the planning, preparation, solicitation, evaluation, award, and Contract management activities, and includes the process of disposing of surplus City property, excluding any sale through the City’s normal retail sales and donation processes.

“Procurement Value” means the maximum total value of the Deliverables being Procured, and it must include all costs to the City, including, as applicable, acquisition, maintenance, replacement, and disposal; training, delivery, duty, and installation; and extension options, less applicable rebates or discounts, and exclusive of applicable sales tax;

“Purchasing Division” means those members of City staff carrying out Procurement functions as a delegate of or under the supervision of the Manager of Purchasing.

“Qualified Supplier Roster” means a list of Suppliers that have been pre-qualified to perform work assignments involving the supply of a particular type of Deliverables and will be eligible to participate in Roster Competitions, or other Procurement process as permitted in the master framework agreement, as and when the Deliverables are required by the City.

“Request for Information” or “RFI” means a process where information is requested from Suppliers regarding their interest in, or the feasibility and availability of, specific Deliverables in the marketplace and to determine if there are enough Suppliers to justify an additional Competitive Process. A Request for Expression of Interest or “EOI” shall be considered an RFI.

“Request for Proposals” or “RFP” means a process where a need is identified, but the method by which it will be achieved is not prescribed at the outset. This process allows prospective Suppliers to propose solutions or methods to arrive at the desired results. The RFP process shall be conducted by the Purchasing Division only.

“Request for Quotations” or “RFQ” means a non-binding request for prices on specific Deliverables as specified in the Request for Quotation. A RFQ process shall be conducted by the Purchasing Division only.

“Request for Supplier Qualifications” or “RFSQ” means a process for screening potential Suppliers through such attributes as experience, financial strength, education, or other pertinent considerations, to determine whether or not the Supplier has the capability in all respects to perform the Contract requirements. A RFSQ process shall be conducted by the Purchasing Division only.

“Request for Tenders” or “RFT” means a binding request for prices on specific Deliverables as specified in the Request for Tender. The RFT process shall be conducted by the Purchasing Division only.

“Roster Competition” means a competition between Suppliers that have been included on a Qualified Supplier Roster for the selection of a Supplier to perform a work assignment involving the supply of a particular type of Deliverable.

“Solicitation Document” means the document issued by the City to solicit Bids from Suppliers.

“Standard Form” means a standard form of document developed and approved in accordance with section 2.09.

“Standard Procurement” means Procurement in accordance with the Standard Procurement method for the type and value of Deliverables, as determine in accordance with this Policy.

“Standing Offer” means a written offer from a pre-approved Supplier to supply Deliverables to the City, upon request, through the use of an ordering process during a particular period of time, and at a predetermined price or discount.

“Surplus Goods” means items, materials, equipment, or assets owned by the City which, through obsolescence or other reason, are no longer required for current or future operations.

“Supplier” means any individual, company or organization that provides or offers to provide goods, services, or construction to the City. A Supplier may also be referred to as a vendor, contractor, consultant, or service provider,

“Unsolicited Offer” means an offer to supply Deliverables to the City that has not been preceded by the issuance of a Solicitation.

## 2.02 Interpretation

The interpretation of this Policy shall be governed by the following:

- (a) **Headings** The division of this Policy into articles and sections, schedules, and other subdivisions are for convenience of reference only and do not affect the construction or interpretation of this Policy. The headings in this Policy are not intended to be full or precise descriptions of the text to which they refer. Furthermore, unless something in the subject matter or context is inconsistent therewith, references herein to an article, section, subsection, paragraph, clause or schedule are to the applicable article, section, subsection, paragraph, clause or schedule of this Policy.
- (b) **Singular, Gender** Words importing the singular number include the plural and *vice versa*. Words using the current tense include the past and future and words using the past or future tense include the current tense. Words importing the masculine gender include the feminine and neuter genders, and words importing persons include firms and corporations and *vice versa*.
- (c) **Including** Wherever the words “include”, “includes” or “including” are used in this Policy, they are deemed to be followed by the words “without limitation” and the words following “include”, “includes”, or “including” are not considered to set forth an exhaustive list.

## 2.03 General Ability of Council to Overrule Procedural Requirements

- (a) Council may overrule any requirement of this Policy on a transaction-specific basis by way of a Council resolution.
- (b) The elimination of any requirement of this Policy on a general or continuing basis must be approved through a By-law which amends this Policy.

## 2.04 General Responsibilities

- (a) This Policy shall apply to all Procurement of Deliverables, except for the exemptions set forth in Schedule 3. The Procurement of Deliverables listed and described in Schedule 3 shall not be subject to the requirements of this Policy but may be subject to other policies or requirements enacted from time to time by the municipal Council of the City.
- (b) All Elected Officials and Departments of the City who engage in Procurement activities or authorize the expenditure of City funds must be duly authorized to do so and adhere to this Purchasing Policy.
- (c) All Procurement activities shall comply with the applicable policies, protocols, procedures, and by-laws of the City of Brantford, including but not limited to the City’s Employee Code of Conduct Policy (CORPORATE-029), relevant provisions of the *Ontario Municipal Act, 2001*, and any other applicable legislation and trade agreements in effect from time to time.

- (d) If the staff of the Purchasing Division provide assistance to any local Board or any subsidiary of the City in a Procurement, such assistance shall only be provided in accordance with this Purchasing Policy as if it applied to the local Board or subsidiary.

#### 2.05 **Incorporation of Policy into Solicitation Documents**

The requirements of this Policy shall be incorporated by reference into all Solicitation Documents for Deliverables Procured by the City of Brantford.

#### 2.06 **Independence of Manager of Purchasing**

In fulfilling their role in enforcing compliance with this Policy, the Manager of Purchasing and the Director of Purchasing, when dealing with Procurement matters, shall carry out those roles independent of management structure and any inappropriate administrative or political influences. This independence shall be extended to members of the Purchasing Division.

The Manager of Purchasing and the Director of Purchasing shall otherwise be subject to usual management and administrative control and direction, including administrative control and direction regarding his or her administrative roles and responsibilities (such as the development of procedures) pursuant to this Policy.

#### 2.07 **Review of this Policy**

This Policy shall be reviewed and revised on a periodic basis. It is anticipated that the reviews will be conducted every five years or more frequently, as required.

#### 2.08 **Mandatory Consultation**

The following Departments must be consulted prior to initiating any Solicitation Documents involving the areas listed below:

- (a) Corporate Facilities – any City facility, excluding linear infrastructure, where a renovation, improvement, or upgrade to that facility or its related infrastructure is anticipated;
- (b) Corporate Security - security initiatives involving physical security services, Access Control, Closed Circuit Television (CCTV) camera equipment and systems, alarm equipment and systems and security risk assessments/Crime Prevention Through Environmental Design (CPTED) related projects; and
- (c) Information Technology Services - any software, hardware, technology or peripherals connected via wired or wireless (Wi-Fi or cellular) connection, or accessible from the City's IT network will require consultation and approval of Information Technology Services. This includes systems or applications that capture, send, receive, store or backup City data as well as the following technologies: IT hardware and staff devices, software and cloud services, IT components in capital and infrastructure projects, data transmission and system integration, and cybersecurity and data protection solutions.

## 2.09 **Forms, Contracts and Documents**

- (a) The Manager of Purchasing may develop or adopt standard forms of Contracts, Solicitation Documents, and other documents to be used in conjunction with Procurements, if such standard forms are approved by Legal Services.
- (b) Where the Manager of Purchasing has developed a standard form in accordance with (a) above, Departments shall Procure Deliverables in accordance with standard forms and not otherwise, provided that the Manager of Purchasing may authorize or draft minor variations therefrom as necessary.

## 2.10 **Environmental Procurement**

Departments shall consider whether it is feasible to incorporate environmental considerations into Solicitation Documents.

## 2.11 **Financing Leases**

In addition to the requirements of this Policy, the Procurements through financing leases shall be performed in accordance with the requirements of the Lease Financing Policy (FINANCE-006).

## 2.12 **Persons with Disabilities**

- (a) Department Staff shall consider and have regard to disability accessibility issues as they may reasonably pertain to Procurements. Without limiting the generality of the foregoing, Departments shall comply with the requirements of the Accessibility for Ontarians with Disabilities Act, 2005 (S.O. 2005, c. 11) (“AODA”), Integrated Accessibility Standards (O. Reg. 191/11) made under AODA, the City’s Municipal Accessibility Plan, and the City of Brantford’s Facility Accessibility Design Standards (“FADS”). All new and renovated City-owned facilities shall be designed and built to meet or exceed the City of Brantford’s FADS and comply with legislation concerning people with disabilities.
- (b) Departments planning any project specification or Solicitation Document for a project that involves the City’s responsibilities under AODA shall ensure that any specifications or Solicitation Document ensures that the Supplier(s) under any resulting Contract shall, as applicable:
  - (i) comply with the Integrated Accessibility Standards (O. Reg. 191/11) and their relation to the Human Rights Code;
  - (ii) ensure that its employees are trained on providing accessible customer Services. Any training or training resources must conform to the legislated requirements under the Act; and
  - (iii) maintain records of the training, including dates when training was provided, the number of employees who received training and individual training records and, where requested by the City, provide written proof, as well as any documentation regarding training policies, practices and procedures, to the City.

### 2.13 **Unsolicited Offers**

- (a) Unsolicited offers received by the City shall be reviewed by the Manager of Purchasing and the applicable Commissioner to determine if the unsolicited offer warrants consideration.
- (b) Any unsolicited offer shall not be considered if:
  - (i) it resembles a current or upcoming Procurement process that has or will be requested;
  - (ii) it requires substantial assistance from the City to complete the Deliverables;
  - (iii) the Deliverables are readily available from other sources; or
  - (iv) it is not deemed by the applicable Commissioner to be of sufficient value to the City.
- (c) Any unsolicited offer warranting execution shall be either Procured through a solicitation as per Schedule 1 or require approval to award as a Non-Standard Procurement.
- (d) Where a Procurement is undertaken as a result of an unsolicited offer, the Supplier who submitted the unsolicited offer shall not be precluded from participating in the Procurement process.

### 2.14 **Prohibited Classes of Suppliers**

- (a) The City shall not knowingly Procure Deliverables from any of the following:
  - (i) Elected Officials;
  - (ii) individual members of City staff, acting in their personal capacity;
  - (i) Corporations or partnerships in which the individuals in (i) or (ii) hold a “controlling interest”. For purposes of the foregoing, “controlling” shall be interpreted and applied in the same manner that it is defined and applied in the *Income Tax Act (Canada)*; or
  - (ii) Suppliers who violate section 3.05 or a Supplier who intends or declares intent to use a subcontractor or subconsultant who has violated section 3.05.
- (b) In any Procurement which occurs by way of an Open Competition, information shall be solicited which shall permit the City to determine whether the prohibition in (a) will be contravened. The Manager of Purchasing shall, unless he or she has actual notice to the contrary, be entitled to rely upon any certificate or affidavit so produced; and such reliance shall be satisfaction of the requirement in section 2.14(a).
- (c) Nothing in (a) above shall prohibit the supply of the normal functions of the office or employment of municipal staff or members of Council to the City.

## 2.15 **Disposal of Surplus Goods and Equipment**

- (a) Surplus Goods shall be disposed of by the Purchasing Division in accordance with this Policy.
- (b) Surplus Goods shall be disposed of by any one of the following methods, ranked in order of preference as follows:
  - (i) Given to another Department within the City administration or subsidiary company which has a use for the Surplus Goods;
  - (ii) Traded in as part of a replacement Procurement;
  - (iii) Sold by a competitive public offering process or auction;
  - (iv) Offered or donated to other public or non-profit agencies; or
  - (v) Disposal of the Surplus Goods by transportation to the City's landfill site, recycling site or other appropriate disposal facility.

## 2.16 **Bidder Debriefing**

Where the City has conducted a Competitive Process, unsuccessful bidders may request a debriefing. Debriefings are intended to assist bidders to understand how to improve future submissions and to reinforce the integrity of the Competitive Process.

## 2.17 **Dispute Resolution**

In the event any Supplier involved in a Procurement process with the City presents a dispute in regard to that process, the following dispute resolution process shall be followed:

- (a) The Supplier identifying the dispute shall be required to state the nature of the dispute in writing, giving full details and history of the events leading to the dispute claim, addressed to the Manager of Purchasing.
- (b) The award of any Contract shall not be rescinded nor the progress of any project be delayed by a request for dispute resolution unless recommended by the applicable Commissioner involved in the Procurement of the Deliverable and the Manager of Purchasing, in consultation with Legal Services.
- (c) Upon receiving the dispute claim, a Bid debriefing will take place with the Manager of Purchasing, the Purchasing Division staff member assigned to that Procurement file, and any City staff member involved in the Procurement process and up to 2 representatives of the Supplier. The Manager of Purchasing shall convene the meeting between the parties within fourteen (14) business days of the receipt of the dispute claim or as reasonable thereafter in the opinion of the Manager of Purchasing. The dispute resolution session will be structured so as to provide assistance to the Supplier in understanding the Procurement process that occurred and address any concerns.
- (d) In the event that a Supplier remains dissatisfied and wishes to advance the dispute claim, the Manager of Purchasing shall advise the Supplier that the matter is being referred to Legal Services. The dispute claim shall then be handled by Legal Services.

## 2.18 **Litigation Exclusion Provision**

- (a) The City, acting through the City Treasurer in consultation with Legal Services, may, in its absolute discretion, reject a Bid submitted by a Supplier if the City is engaged in legal action against the Supplier, or if the Supplier or any officer or director of the Supplier is engaged, either directly or indirectly through a corporation or personally, in a legal action against the City, its elected representatives, appointed officers, or employees, in relation to:
  - (i) any other related Contract or service; or
  - (ii) any matter arising from the City's exercise of its powers, duties, or functions.
- (b) In determining whether or not to reject a Bid under this section, the Director of Purchasing, Manager of Purchasing, and Legal Services will consider whether:
  - (i) the litigation is likely to adversely affect the Supplier's ability to work with the City, its consultants and representatives; or
  - (ii) the City's experience with the Supplier indicates that the City is likely to incur increased staff and legal costs in the administration of the Contract if it is awarded to the Supplier; or
  - (iii) the Supplier has been convicted of a criminal act against the City or one of its Boards; or
  - (iv) the Supplier has failed to satisfy an outstanding debt to the City or one of its Boards; or
  - (v) there are reasonable grounds to believe it would not be in the best interests of the City to enter into a Contract with the Supplier.

## **SECTION 3**

### **ETHICAL CONDUCT AND CONFLICTS OF INTEREST**

#### **3.01 Conduct and Conflicts of Interest**

For the purpose of this section, "Conflict of Interest" includes:

- (a) when applied to the activities of the City and its consultants or service providers: (i) a conflict or tension between one's private interests and one's public, fiduciary duties, or contractual duties in relation to any Procurement activity; or (ii) engaging in any conduct that may give another party an unfair advantage in a Procurement process; or
- (b) in relation to a Competitive Process, a Supplier has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including, but not limited to:
  - (i) having, or having access to, confidential information of the City in the preparation of its Bid that is not available to other bidders;
  - (ii) having been involved in the development of the Solicitation Documents, including having provided advice or assistance in the development of the Solicitation Document;
  - (iii) receiving advice or assistance in the preparation of its Bid from any individual or entity that was involved in the development of the Solicitation Document;
  - (iv) communicating with any person with a view to influencing preferred treatment in the bidding process (including, but not limited to, the lobbying of decision-makers involved in the bidding process);
  - (v) engaging in conduct that compromises, or could be seen to compromise, the integrity of the open and competitive bidding process or render that process non-competitive or unfair; or
- (c) in relation to the performance of its contractual obligations, a Supplier's other commitments, relationships, or financial interests:
  - (i) could, or could be seen to, exercise an improper influence over the objective, unbiased, and impartial exercise of its independent judgment; or
  - (ii) could, or could be seen to, compromise, impair, or be incompatible with the effective performance of its contractual obligations.

The City's Procurement activities will be conducted with integrity and all individuals involved in the City's Procurement activities, including any outside consultants or other service providers participating on behalf of the City, shall comply with this Policy and act in a manner that is consistent with the purpose and principles of this Policy.

The City will not Procure Deliverables from an employee or Council member of the City, or any associate or family member of an employee or Council member, unless the extent of the employee's interest has been fully disclosed to and approved by the Director of Purchasing or the Manager of Purchasing.

### 3.02 **Supplier Conduct and Conflicts of Interest**

- (a) All Suppliers participating in a Procurement process or supplying Deliverables to the City shall immediately declare to the applicable Department project lead or Manager of Purchasing, any perceived, possible, or actual Conflict of Interest.
- (b) The City may refuse to do business with any Supplier that has engaged in illegal or unethical bidding practices, has a possible or actual Conflict of Interest, or has an unfair advantage.
- (c) The City expects its Suppliers to act with integrity and conduct business in an ethical manner. The City may refuse to do business with any Supplier that, in the City's opinion:
  - (i) has engaged in illegal or unethical bidding practices;
  - (ii) has an actual or potential conflict of interest;
  - (iii) has an unfair advantage in the Procurement process;
  - (iv) or fails to adhere to ethical business practices.
- (d) Illegal or unethical bidding and Contract performance practices include:
  - (i) bid-rigging, price-fixing, bribery, collusion or other behaviors or practices prohibited by federal or provincial statutes;
  - (ii) attempting to gain favour or advantage by offering gifts or incentives to City officials, employees, or other representatives of the City;
  - (iii) lobbying members of Council or City employees or engaging in any prohibited communications during a Competitive Process;
  - (iv) engaging in any other activity that compromises the City's ability to run a fair Competitive Process;
  - (v) using substandard materials of a lower-quality material than specified or approved by the City to cut costs and increase profit margins;
  - (vi) falsifying documentation, progress reports, or invoices to receive payments for incomplete or non-existent work.

### 3.03 **Involvement in the Procurement Process**

Elected Officials, Appointed Members, and City employees shall not knowingly cause or permit any action or communication to any individual in a manner which is likely to cause, or be received to cause, any potential Supplier to have an unfair advantage or disadvantage in obtaining a Contract for Deliverables to the City. This also includes a Contract with any other municipality, Board, or public body involved in Procurements either jointly or in cooperation with the City.

3.04 **Participation of Elected Official and/or Appointed Member in the Procurement Process**

- (a) All Elected Officials and Appointed Members shall avoid any involvement in all Procurement processes to avoid any perceived or actual conflict of interest and reputational risk. An Elected Official or Appointed Member who receives inquiries from Suppliers or potential subcontractors related to any specific Procurement shall immediately redirect those inquiries to the Manager of Purchasing or the Buyer managing the Procurement process.
- (b) Should Council establish an ad hoc body (e.g. Task Force or Steering Committee) related to a significant Procurement project, the following conditions shall apply:
  - (i) all members shall be appointed by Council; and
  - (ii) the mandate of said ad hoc body shall be approved by Council and shall include reference to the ability of the ad hoc body to provide input to the Manager of Purchasing only prior to the issuance of Solicitation Documents; and
  - (iii) all input as referenced in clause (b)(ii) above shall occur at a duly constituted meeting of the ad hoc body; and
  - (iv) notwithstanding any other part of this section 3.04(b), Elected Officials and Appointed Members shall not participate in any Procurement in an evaluation capacity; or function in a decision-making capacity with respect to any award; and
  - (v) the agenda for each ad hoc body shall comply with the requirements of Chapter 15 of the City of Brantford Municipal Code and shall include, as a standing item, Declaration of Conflicts of Interest; and
  - (vi) all Appointed Members shall comply with the same rules that are applicable to Elected Officials pursuant to the *Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50* in keeping with the following principles contained therein:
    - a. The importance of integrity, independence and accountability in local government decision-making.
    - b. The importance of certainty in reconciling the public duties and pecuniary interests of members.
    - c. Members are expected to perform their duties of office with integrity and impartiality in a manner that will bear the closest scrutiny.
    - d. There is a benefit to municipalities and local boards when members have a broad range of knowledge and continue to be active in their own communities, whether in business, in the practice of a profession, in community associations, and otherwise.

### 3.05 **No Lobbying**

Suppliers must not engage directly or indirectly in any form of political or other lobbying whatsoever to influence the selection of a Supplier. For purposes of this section 3.05, Supplier includes (potential or actual) subcontractors and subconsultants.

## **SECTION 4**

### **ROLES AND DELEGATED SIGNING AUTHORITY**

#### **4.01 Authority and Responsibilities of Administration**

##### **Mayor or Council, as applicable**

- Prepare and propose the municipal budget in accordance with the Municipal Act, 2001.

##### **City Council**

- Set Procurement priorities across the organization.
- Delegate authority to the City's employees to incur expenditures through Procurements in accordance with this Policy.
- Prepare and propose the municipal budget if not done so by the Mayor.
- Exercise the authority to deem a situation an Emergency, enabling expedited Procurement actions when necessary.

##### **CAO, City Treasurer, or Designate**

- Ensure organizational compliance with this Policy and directives, applicable laws, trade agreements and regulations.
- Support the promotion of sound Procurement practices and appropriate training for employees involved in Procurement.
- Approve Procurements as set out in Schedule 1 to this Policy.

##### **Legal Services**

- Provide legal advice on Procurement-related matters arising from this Policy and the City's Procurement activities, as requested.
- Draft and review Contracts, ensuring legal soundness.
- Advise on Supplier disputes, Bid challenges, and regulatory compliance.

##### **Commissioner and Directors, or Designate**

- Ensure compliance with this Policy and approved budgets, including adherence to the Purchasing Policy for procurements conducted outside of the centralized Purchasing Division function.
- Promote sound Procurement practiced by supporting the delivery of appropriate education and training to staff involved in Procurement activities.
- Manage Procurement planning and execution within their areas of responsibility.
- Authorize the Purchasing Division and Department staff to initiate Procurement processes in accordance with the Procurement thresholds outlined in Schedule 1 to this Policy.
- Approve Procurements as set out in Schedule 1 to this Policy.
- Support the promotion of Supplier Performance management.

## **Director of Purchasing or Designate**

- Responsible for the strategic planning and overall direction of the Procurement activities for the entire organization.
- Serve as the principal Procurement resource, providing professional support and contractual advice to the City.
- Implement Procurement strategies in line with this Policy.
- Authorize the Purchasing Division to initiate Procurement processes in accordance with the Procurement thresholds outlined in Schedule 1 to this Policy.
- Approve Procurements as set out in Schedule 1 to this Policy.

## **Manager of Purchasing or Designate**

- Manage the day-to-day Procurement operations.
- Implement Procurement procedures in line with this Policy.
- Monitor and direct compliance with this Policy.
- Ensure compliance with this Policy and ethical standards.
- Ensure Procurements and the Supplier selection processes are followed.
- Work closely with Departments to meet operational and capital needs.
- Supervise the Purchasing Division and ensure timely processing of purchases.
- Report policy violations to the appropriate staff depending on the circumstance.
- Authorize the Purchasing Division to initiate Procurement processes in accordance with the Procurement thresholds outlined in Schedule 1 to this Policy.
- Approve Procurements as set out in Schedule 1 to this Policy.

## **Role of the Purchasing Division**

The Purchasing Division oversight and support services include, but are not limited to:

- deploying Procurement strategies and tactics which ensure value for money in all transactions;
- determining the Procurement method which is most appropriate for the market conditions and facilitating the Open Competition Bid processes and procedures;
- maintain detailed records of completed Supplier performance for accountability and future procurement decisions;
- processing of Contracts as per the signing authorities set out in Schedule 1;
- considering environmental, economic and strategic values when making recommendations or Procurement decisions;
- supporting other Departments with Policy compliance and best practices;
- monitoring compliance with this Policy and any applicable legislation and trade agreements.

## **All Other City Administration**

- Identify an available and approved funding source.
- Procurement of Deliverables in accordance with this Policy and as set out in Schedule 1.

### **4.02 Procurement Value and Delegated Signing Authority**

- (a) Delegated authority to initiate and pursue Procurements, award, sign, and administer agreements is hereby granted to the persons set out in Schedule 1, subject to the following:
- (i) The Procurement process was conducted in accordance with this Policy and all applicable procedures and protocols;
  - (ii) The Procurement Value of the agreement is either:
    - a. based on an annual amount, in the case of an operating Procurement; or
    - b. based on a project amount, in the case of a capital Procurement; and in the case of a multi-year agreement, is determined in accordance with section 6.03(c);
  - (iii) Procurements have either received an allocation of funding through adoption of the annual City budget or other approved decision of Council prior to expenditure;
  - (iv) Sufficient funds are available in an appropriate account(s) after accounting for all other obligations (contractual, statutory, resourcing, or otherwise) being funded from such account.
- (b) Where the Deliverables are routinely acquired or leased on a multi-year basis, the exercise of delegated signing authority to award a Contract is subject to:
- (i) The requirement that the Deliverables will continue to exist in subsequent years and, in the opinion of the City Treasurer, the required funding can reasonably be expected to be made available; and
  - (ii) The agreement containing, if required by the Manager of Purchasing, a provision that the supply of Deliverables in subsequent years is subject to annual budget approval of the Department's estimates which meets or exceeds the Procurement Value.

### **4.03 Contracts Which Must Be Awarded by Council**

Despite the contents of Schedule 1 or any other requirement of this Policy, the following Contracts shall be awarded by Council and not staff:

- (a) Contracts for the Procurement of Deliverables which have a term greater than 5 years and a day (including any rights of extension or renewal), unless otherwise approved by the Manager of Purchasing;

- (b) Contracts which have not received funding either through adoption of the annual City budget or other decision of Council;
- (c) Non-Standard Procurements equal to or greater than \$100,000; or
- (d) As directed by the Manager of Purchasing or the Director of Purchasing.

#### 4.04 **Execution of Contracts and Documents**

- (a) The execution of Contracts and documents in connection with Procurements must be in accordance with this Policy. It is a serious contravention of this Policy for any employee to execute a Contract or other document in connection with a Procurement if the execution of such Contract or other document is not in accordance with the requirements of this Policy. Notwithstanding the foregoing, this requirement does not limit, restrict, or otherwise negatively impact any other authority which is granted by Council.
- (b) City staff are responsible for determining whether or not they have delegated signing authority to execute documents on behalf of the City in accordance with the foregoing.
- (c) Where a Contract contains provisions that would require satisfaction of preconditions prior to execution under the City's Delegation of Authority Policy (CORPORATE-010), City staff shall not execute the Contract until those preconditions are satisfied.

## **SECTION 5**

### **ESTABLISHMENT OF SUPPLY ARRANGEMENTS**

#### **5.01 Recurring Requirements**

Before initiating a Procurement, Departments must consider the availability of existing supply arrangements. If the Deliverables will be required on a frequent or regularly recurring basis, and there is no existing supply arrangement, the Departments must consult with the Purchasing Division about the possibility of establishing a Standing Offer or Qualified Supplier Roster.

#### **5.02 Standing Offers**

Standing Offers may be established for standardized Deliverables to be purchased by all Departments, where:

- (a) the requirements for Deliverables are recurring and predictable over an extended period of time;
- (b) the requirements are standard and clearly defined at the time of establishment of the Standing Offer; and
- (c) it is possible to fix pricing for the Deliverables for the duration of the Standing Offer.

The establishment of a Standing Offer does not create a contractual commitment to Procure Deliverables from the Supplier. The commitment to purchase against a Standing Offer is formed at the time a specific order is placed through the issuance of a purchase order, written direction from the Department, or payment through corporate p-card to the Supplier.

The Manager of Purchasing is authorized to establish Standing Offers through Open Competitions. The competitions will be managed by the Purchasing Division, with the cooperation and involvement of subject-matter experts from the relevant Department(s).

#### **5.03 Qualified Supplier Rosters**

Qualified Supplier Rosters may be established to prequalify Suppliers that will be eligible to compete for defined work assignments involving the delivery of a particular type of Deliverables, as and when required.

The establishment of a Qualified Supplier Roster does not create a contractual commitment to Procure Deliverables from any of the Suppliers. When Deliverables are required, the process outlined in the master framework agreement will be followed for the purposes of awarding the assignment to one of the qualified Suppliers.

The Manager of Purchasing is authorized to conduct Procurements to establish Qualified Supplier Rosters. Such Procurements shall be managed and conducted by the Purchasing Division, with the cooperation and involvement of the Department(s).

#### 5.04 **Cooperative Procurement and Group Purchasing Organizations**

The City may participate in Cooperative Procurement, GPOs, or joint purchasing initiatives with other entities where such initiatives are determined by the Manager of Purchasing to be in the best interests of the City, and where the Manager of Purchasing has determined that such initiative was undertaken in accordance with the spirit of this Purchasing Policy and in compliance with applicable laws. If the City participates in such cooperative or joint purchasing initiatives, the City may adhere to the policies of the entity conducting the purchasing process, provided that such policies comply in spirit with this Policy and with generally applicable legal requirements. If the City is leading a cooperative or joint purchasing initiative, this Policy will be followed.

## **SECTION 6**

### **PROCUREMENT OF DELIVERABLES**

#### **6.01 Procurement Planning**

Procurement planning is essential in ensuring that the Procurement function serves as a conduit to achieving the City's objectives. Effective planning ensures the responsible management of corporate resources and the timely delivery of Deliverables as required. In planning for a Procurement process, Departments must ensure they leave sufficient time to:

- (a) develop proper specifications and business requirements,
- (b) carry out internal reviews and consultations, including determining relevant staff or Council authority to conduct the Procurement,
- (c) address any notice and other time requirements,
- (d) conduct a Competitive Process, as required, and
- (e) obtain necessary approvals.

#### **6.02 Market Research**

- (a) Where the City is uncertain about the required Deliverables or where there is insufficient internal knowledge about the market, the City may use a Request for Information to build Supplier interest and to obtain information about the availability of Deliverables in the marketplace and the level of interest from Suppliers able to supply the Deliverables. Requests for Information will be publicly posted.
- (b) Requests for Information will not be used to pre-qualify Suppliers.

#### **6.03 Procurement Value**

- (a) The Procurement Value must be appropriately estimated in accordance with sections 6.03(b) and 6.03(c) to determine the appropriate Procurement method and to ensure compliance with the requirements of this Policy.
- (b) In estimating the Procurement Value, all forms of remuneration must be considered including:
  - (i) All estimated costs to the City, including applicable delivery and duty, installation, training, operation, maintenance, replacement and disposal, but excluding applicable sales taxes, and less applicable rebates, trade-ins, or discounts;
  - (ii) All estimated premiums, fees, commissions, exchange rates, and interest; and
  - (iii) If the Procurement provides for the possibility of renewal options, the total value of all such Contract renewals.

- (c) The Procurement Value for a multi-year agreement shall include the estimated amounts to be paid for all years to which the multi-year agreement shall apply.

#### 6.04 **Division of Procurement to Avoid Compliance with Policy**

Procurements must not be subdivided, split or otherwise structured in order to reduce the Procurement Value or in any way circumvent the requirements of this Policy.

#### 6.05 **Standard Procurement**

- (a) The City may use several different methods for the Procurement of Deliverables. Depending on the Procurement Value and the type of Deliverable required, the Procurement methods may include:
  - (i) Ordering Deliverables from an established Standing Offer;
  - (ii) Conducting a Roster Competition to solicit a Bid(s) from Suppliers on an established Qualified Supplier Roster;
  - (iii) Obtaining one or more informal quote(s) for Low Value Procurements;
  - (iv) Conducting Invitational Competition by soliciting and receiving competitive Bids from a minimum of three Suppliers; or
  - (v) Conducting an Open Competition by publicly advertising and posting a Solicitation Document.
- (b) Where this Policy permits the use of more than one Standard Procurement method for a particular Deliverable, the City will use the Standard Procurement method that is in the best interests of the City, as determined by the respective Director, or designate, in consultation with the Purchasing Division.
- (c) Solicitation Documents may include RFT, RFP, RFQ, IRFQ, and RFSQ. An EO/RFI is not a Solicitation Document.
- (d) All Competitive Processes will be conducted in accordance with the respective Solicitation Document and may include negotiation with one or more top-ranked Suppliers, as determined by the Manager of Purchasing.
- (e) The City may cancel or amend a Competitive Process.

## 6.06 **Existing Supply Arrangements**

### (a) **Standing Offer**

If the Deliverables are available under an existing Standing Offer, Departments shall leverage the Standing Offer prior to initiating any other Procurement Process.

### (b) **Roster Competition**

If the Deliverables are available under an existing Qualified Supplier Roster, Departments shall leverage the Qualified Supplier Roster prior to initiating any other Standard Procurement.

Rosters will be managed by the Department, with the cooperation of the Purchasing Division, as needed.

### (c) **Low-Value Procurements**

- i. Where the Procurement Value meets an approved budget and does not exceed \$25,000 and the Deliverables are not covered under an existing Standing Offer or Qualified Supplier Roster, Departments may make Low-Value Procurements without the involvement of the Purchasing Division.
- ii. The Department is only required to obtain one quote.
- iii. Where practicable, Departments are encouraged to obtain multiple quotes to ensure they are obtaining best value.
- iv. Where practicable, Departments will prefer Suppliers from Canada or that supply Canadian Goods, Services, or both.
- v. Low-Value Procurement should be Procured using a City p-card, where accepted.
- vi. A purchase order is not required but encouraged.

### (d) **Invitational Competitions**

- i. Where the Procurement Value meets an approved budget and the Deliverables are not covered under an existing Standing Offer or Qualified Supplier Roster, Departments
  - a. shall conduct an Invitational Competition if the Procurement Value is greater than \$25,000 and does not exceed \$100,000, and
  - b. may choose to conduct an Invitational Competition where the Procurement Value does not exceed \$25,000.
- ii. Where practicable, Departments will prefer Suppliers from Canada or that supply Canadian Goods, Services, or both.
- iii. The applicable Department Director is responsible and accountable for Invitational Competitions.

- iv. An Open Competition may be conducted in lieu of an Invitational Competition, where the applicable Department Director, in consultation with the Purchasing Division, determines that it would be in the best interests of the City.
- v. A purchase order is required for all Invitational Competition Procurements.
- vi. An agreement, approved in form by Legal Services, may be executed where required.
- vii. Departments may request the Purchasing Division to conduct the Invitational Competition or an Open Competition, with the cooperation and involvement of the Department.

(e) **Open Competitions**

- i. Where the Procurement Value exceeds \$100,000, the Purchasing Division will Procure the Deliverables by an Open Competition.
- ii. When conducting an Open Competition, the Purchasing Division will publicly post the Solicitation Document.
- iii. The Purchasing Division will conduct Open Competition in accordance with the Solicitation Documents.
- iv. Open Competitions may include multi-stage Procurement processes in which a prequalification process is conducted.
- v. A purchase order or agreement in Standard Form or otherwise approved in form by Legal Services, is required for all Open Competitions.
- vi. Open Competition will be managed by the Purchasing Division, with the cooperation and involvement of the Department.

6.07 **Non-Standard Procurement**

- (a) Non-Standard Procurement of Deliverables may be conducted by any method determined by the Manager of Purchasing, and may include:
  - i. Procuring Deliverables directly from a particular Supplier without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required; or
  - ii. Soliciting Bids from a limited number of Suppliers when an Invitational Competition or an Open Competition would normally be required, unless an open pre-qualification process was conducted through an Open Competition.
- (b) The City may only conduct a Non-Standard Procurement if authorized in accordance with the signing authority for Non-Standard Procurements in Schedule 1 and justified and documented in accordance with this Purchasing Policy.

- (c) A Non-Standard Procurement may only be authorized in the following circumstances:
- i. where an Open Competition conducted for the required Deliverables has not resulted in the receipt of any valid Bids;
  - ii. where the required Deliverables can only be provided by a particular Supplier and no alternative or substitute exists because:
    - a. competition is absent for technical reasons;
    - b. the need to protect patent, copyrights or other exclusive rights;
    - c. there is a statutory or market based monopoly or in circumstances where the Manager of Purchasing has concluded that market conditions make it impractical to use a Standard Procurement process.
  - iii. for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations Procured under the initial Procurement;
  - iv. would cause significant inconvenience or substantial duplication of costs for the City;
  - v. in any case where City Council has granted specific approval for the use of a Non-Standard Procurement process;
  - vi. in any case where Council has approved a specific standard for Deliverables and the approval of the standard necessarily implies that Non-Standard processes will be used;
  - vii. to permit a temporary extension of no more than six (6) months of an existing Contract that is about to expire to permit the uninterrupted supply of Deliverables while a new Solicitation Document is being prepared;
  - viii. Deliverables available under exceptionally advantageous circumstances that only arise in the very short term, such as liquidation, bankruptcy or receivership;
  - ix. for additional deliveries by an original Supplier of Deliverables that were not included in the original Procurement, but where a change cannot be made for economic or technical reasons without causing significant inconvenience or substantial duplication of costs for the City, as determined by the applicable Commissioner and Manager of Purchasing; or
  - x. where the current Supplier under Contract has defaulted or demonstrated unsatisfactory performance and an alternate Supplier is required for the immediate supply of Deliverables for the balance of the Contract remaining or until such time that the Purchasing Division can reasonably issue a Standard Procurement to secure a new Supplier under Contract.

## 6.08 **Emergency Procurements**

- (a) Notwithstanding any other provisions of this Policy, where an Emergency exists, Council, or the CAO, together with either the Fire Chief, or the applicable Commissioner, may authorize an employee to Procure required Deliverables in an expedited manner.
- (b) Whenever: (i) the provisions of this section are applied; and (ii) the aggregate costs for a single Supplier are in excess of \$100,000, the Emergency Procurement shall be reported to Council by the applicable Commissioner as soon as practicable thereafter to provide:
  - i. the details of the expedited Procurement, including a description of how the deliverables were Procured;
  - ii. the reasons the Procurement of the Deliverables were required to address the Emergency;
  - iii. the reason why the expedited Procurement was required; and
  - iv. any other pertinent details.

Situations of urgency resulting from the failure to properly plan for a Procurement in accordance with section 6.01 do not constitute an Emergency.

## 6.09 **Contract Award**

- (a) Contracts must be awarded in accordance with this Policy.
- (b) The Procurement Methods and Delegated Authorities Schedule attached as Schedule 1 sets out the administration and authorities for:
  - i. determining the Procurement method based on the Procurement Value;
  - ii. administration of the Procurement process;
  - iii. approval of the award of Contract based on delegated signing authority;
  - iv. approving Contract amendments, renewals, extensions; and other Contract modifications as may be required based on delegated signing authority.
- (c) For a Procurement Value greater than \$25,000, the issuance of a purchase order to the Supplier prior to the supply and receipt of the Deliverables is required.
- (d) Where the Procurement Value exceeds \$100,000, a fully executed agreement is required, unless otherwise approved by the Manager of Purchasing or the Director of Purchasing. If the Procurement Value does not exceed \$100,000, an agreement may be required, if determined by the Manager of Purchasing or the Director of Purchasing and/or Legal Services, in order to protect the City's interests.

6.10 **In the Event of a Tie**

- (a) In the unlikely event that two or more identical Bids are received in response to a Competitive Process, the Manager of Purchasing will offer an opportunity for Suppliers to submit a revised Bid. Should a tie persist, the Manager of Purchasing shall determine the successful Bid after considering the following factors, as applicable:
  - (i) payment discount;
  - (ii) when delivery is an important factor, the Supplier offering the best delivery date is given preference; or
  - (iii) a Supplier with an overall satisfactory performance record shall be given preference over a Supplier with no previous experience with the City who shall be given preference over a Supplier known to have an unsatisfactory performance record with the City.

## **SECTION 7**

### **UNFORSEEN AND CONTINGENT EVENTS**

#### **7.01 Bids Exceed Budget**

In the event that all Bids exceed the funds available for the completion of the project, the City may pursue the following options:

- (a) The City may add funds to those already allocated to the project so that there are sufficient funds to permit an award, in accordance with Capital Budget Management and Control Policy (FINANCE-003) or as otherwise permitted;
- (b) All Bids may be rejected and the City may cancel the Competitive Process and abandon the Procurement;
- (c) All Bids may be rejected and the City may engage in a further Competitive Process, either with amendments; or without amendments and a reasonable delay in time from the preceding solicitation. Before proceeding to engage in a further Competitive Process which does not include any significant amendment from the preceding Solicitation Document, the Manager of Purchasing shall consider whether any unfair advantage will be obtained by any person by so proceeding, and the Manager of Purchasing shall consult with the Legal Services with respect to same; or
- (d) The City may negotiate with the Supplier that would have succeeded if there were sufficient funds available to complete the project at the price proposed by that Supplier in an attempt to achieve the Deliverables at a price that fits within the available funds, which may include minor adjustments in the specifications of the Deliverables and minor adjustment of other obligations of the parties.

#### **7.02 Additional Costs Encountered During Completion of Contract or Project**

- (a) Whenever any Deliverables have been authorized pursuant to this Policy, the responsible Department may authorize the disbursement of additional funds to complete the Procurement where unexpected contingencies have arisen for which no or insufficient provision has been made, provided that a contrary intention was not expressed in the original budget approval and:
  - (i) there are sufficient funds in the applicable budget to pay the additional funds and ; or
  - (ii) a further approval is issued in accordance with Capital Budget Management and Control Policy (FINANCE-003) or as otherwise permitted.

7.03 **Application of Amounts Set Aside as a Contingency**

- (a) Departments are encouraged to make reasonable provision for probable contingencies in the development of the Procurement Value, the specifications, and the Solicitation Document.
- (b) The expenditure of any related contingency or allowance shall be a normal part of the administration of the Contract for all purposes of this Policy.
- (c) A contingency of up to 10% of the total Contract amount may be added to the purchase order for a project contingency dependent on the availability of sufficient funds in the appropriate project budget.

## **SECTION 8**

### **PUBLIC DISCLOSURE AND PROCUREMENT RECORDS**

#### **8.01 General Rule**

The City Clerk, in consultation with the Purchasing Division, shall ensure that the collection, retention, use, maintenance, disposal, release and management of all records relating to Procurements are in accordance with the Records Retention Bylaw Number 99-2018, Municipal Freedom of Information and Protection of Privacy Act, and the City's policies and procedures on document management and access to information.

#### **8.02 Application of Rule**

All information in relation to a Competitive Process and prices paid for Deliverables may be disclosed to the public in accordance with Municipal Freedom of Information and Protection of Privacy Act.

#### **8.03 Integrity**

Without limiting the application of the confidentiality provisions of the Municipal Freedom of Information and Protection of Privacy Act or the requirements of the Code of Conduct, no employee shall share confidential information with any potential Supplier which would cause that potential Supplier to gain an unfair advantage or to suffer any disadvantage in a Competitive Process for the supply of the Deliverables to the municipality.

#### **8.04 Notice of Collection of Personal Information Under This Policy**

The Municipal Freedom of Information and Protection of Privacy Act requires local government institutions to protect the privacy of an individual's personal information while also providing a mechanism for individuals to request access to information existing in government records. Personal Information, as defined in the Municipal Freedom of Information and Protection of Privacy Act, is collected pursuant to sections 2, 4, 8, 9, 10 and 270 of the Municipal Act, 2001, and may be used for (i) execution of various functions of the City; (ii) administration of contracts or relationships between the City and its employees, suppliers, service providers, contractors, partners, and other; (iii) to contact bidders, suppliers, service providers, contractors, partners and others; (iv) City's insurance purposes (including defense of claims); (v) collation of group and meta data); (vi) assessment of the City's Purchasing and Procurement bylaws, policies, practices, and procedures; and (vii) as otherwise permitted by law. Questions about such collection should be directed to:

Manager of Purchasing  
The Corporation of the City of Brantford  
58 Dalhousie St., P.O. Box 818  
Brantford, Ontario N3T 2J2

Email: [purchasing@brantford.ca](mailto:purchasing@brantford.ca)

## **SECTION 9**

### **COMPLIANCE MONITORING AND REPORTING**

#### **9.01 Compliance Monitoring**

- (a) The Manager of Purchasing is responsible for monitoring compliance across the organization. Where non-compliance is reported, the applicable Director must address the identified compliance concerns and submit a written confirmation of actions taken to the Manager of Purchasing. Ongoing concerns with respect to compliance will be subject to internal audit.
- (b) Breaches of this Policy by employees may be subject to disciplinary action in accordance with principles and practices enforced by the Human Resources Department.

#### **9.02 Audit**

The Manager of Purchasing shall have the right to examine any document or file in the possession of any Department which pertains to a Procurement which is subject to this Policy.

#### **9.03 Training**

To ensure consistent application of this Policy and to uphold the principles of transparency, accountability, and ethical conduct, the Manager of Purchasing shall provide training sessions to all Departments and Elected Officials involved in Procurement activities, as needed.

#### **9.04 Procurement Protocols**

The Manager of Purchasing is responsible for developing and maintaining Procurement protocols and other supporting documents to direct the City's Procurement activities in accordance with this Policy. Where Procurement documents and protocols have been developed by the Manager of Purchasing, all Departments are required to adhere to the established procedures.

#### **9.05 Accountability**

Employees are accountable for the decisions and actions which they take pursuant to this Policy and in the administration of Contracts which have been awarded pursuant to this Policy.

**SECTION 10**  
**ERRORS IN SUBMISSIONS**

10.01 **Recognition of Issue**

The City recognizes that Bids presented in response to Solicitation Documents may, from time to time, contain errors, not all of which shall be fatal to the consideration of the Bid.

10.02 **Consequence of Errors in Non-Binding Procurements**

In the event of an error or irregularity in a non-binding Solicitation Document, the Manager of Purchasing shall assess whether the issue may be rectified by the Supplier.

This determination will be made after considering factors deemed relevant by the Manager of Purchasing, including but not limited to:

- (a) fairness to other Suppliers;
- (b) integrity of the process;
- (c) best practices; and
- (d) applicable law.

10.03 **Consequences of Errors in Binding Bids**

Schedule 2 is a list of some errors or irregularities in the submission of a binding Bid to the City and the consequences associated with each such error or irregularity.

Schedule 2 is not intended to provide an exhaustive description of all possibilities and consequences. The Manager of Purchasing has the discretion to identify other errors or irregularities in binding Bids and determine how they may be addressed and what consequences result from them.

## SECTION 11

### SUPPLIER PERFORMANCE

#### 11.01 Supplier Performance Program

- (a) The purpose of the Supplier Performance Program is to monitor the performance of City Suppliers. It shall be a tool used by the City to hold Suppliers accountable for their actions and their responsibilities under a Contract with the City as well as a means to communicate to the Supplier both positive and negative demonstrated performance.
- (b) The goals of the Supplier Performance Program are:
  - (i) to achieve best value for taxpayer dollars;
  - (ii) to measure, monitor, evaluate, and report on Supplier performance;
  - (iii) to create an atmosphere that fosters better communication and results in improved City-Supplier relationships;
  - (iv) to protect the City's interest and provide transparency on what the City's expectations are, what evaluation criteria will be used to assess Supplier performance and what the outcomes will be as a result;
  - (v) to create a mechanism to inform future Contract awards and prevent contracting with poor performers.
- (c) The City may not further consider a Supplier's Bid in a Procurement process based on unsatisfactory performance, in the sole discretion of the City, in order to protect the public or the City's interests until such time that the Supplier can demonstrate to the City, in their sole and unfettered discretion that the performance issues have been successfully addressed.
- (d) If a Supplier's Bid in a Procurement process identifies that part of the Deliverables under that Bid would be provided by a subcontractor or Supplier with unsatisfactory performance, then the City may refuse that Bid or negotiate with the Supplier to revise their Bid to replace that subcontractor or Supplier.

#### 11.02 Scorecard

- (a) A Supplier performance scorecard ("Scorecard") shall be a tool to capture a Supplier's level of performance to the City.
- (b) A Scorecard is encouraged to be completed by Departments for all Contracts with a value of \$100,000 or greater. For any Contracts valued less than \$100,000, a Scorecard may be completed upon request of the Department or the Purchasing Division.

- (c) A Scorecard shall be completed by the Department involved in the Procurement. In completing the Scorecard, the Department may contact other City staff, third party suppliers and consultants for their comments. Once completed by the Department, the Scorecard shall be forwarded for further comment and consideration to the Purchasing Division.
- (d) Once completed by the Purchasing Division, the Scorecard shall be forwarded to the Supplier by the Purchasing Division. If warranted, a meeting will be scheduled with the Supplier, the Department, and the Purchasing Division to discuss the Scorecard. If no meeting has been requested by the City, the Supplier has ten (10) Working Days to respond to the Purchasing Division to request a meeting to discuss the Scorecard. Supplier Scorecards will be retained in the Supplier performance database and will be used to inform next steps of the Supplier Performance Program. Regardless of the completion of the Scorecard or the Supplier Performance Program process, the City retains the discretion to withhold awarding future contracts to a Supplier on City project(s) due to concerns regarding their performance.

#### 11.03 **Poor Performance**

- (a) When, in the opinion of the Manager of Purchasing, a significant poor Supplier performance or professional conduct issues has occurred during the course of any Contract (regardless of the dollar value), whether or not recorded on a Scorecard, the City may proceed with a "Supplier Performance Infraction" or any other action deemed appropriate.
- (b) A Supplier Performance Infraction involves a three stage approach to allow the City to work with the Supplier to resolve poor performance issues. The three stages include:
  - Stage 1: Communication of City dissatisfaction
  - Stage 2: Formal Notice; and
  - Stage 3: Notice of Consequences.
- (c) Stage 1 may be formal or informal discussions, meetings, or correspondence between the Supplier and the Department. Stage 1 may also include the involvement of City staff from the Purchasing Division. It may or may not expressly identify as being part of a Supplier Performance Infraction. The purpose is to attempt to communicate to Supplier, some or all of the following:
  - (i) the nature of the poor performance;
  - (ii) the impact the poor performance has on the City's operation or project;
  - (iii) the actions or corrective actions expected of the Supplier, and related timeframes; and
  - (iv) the consequences, or potential consequences, if the Supplier fails to take the requisite action, or otherwise continues in their poor performance.

- (d) Stage 2 is a formal written notice, to be issued by either the Manager of Purchasing or by Legal Services, or in exceptional cases, by Department Staff in consultation with both the Manager of Purchasing and Legal Services. It will formally notify the Supplier of:
  - (i) the nature of the poor performance, with reference to the agreement;
  - (ii) the steps necessary to remedy the issue or to otherwise move towards rectification, including a timeline; and
  - (iii) the consequences, or potential consequences, if the Supplier fails to take the requisite action, or otherwise continues in their poor performance.
  
- (e) Stage 2 (Formal Notice) may be issued, at the discretion of the Manager of Purchasing or Legal Services, as the case may be, more than one time. Examples may include:
  - (i) a Supplier has responded to an initial Stage 2 notice and made progress towards full remedial action. A second formal notice may be issued to document the progress, the next steps, and a timeline;
  - (ii) a Supplier has raised substantive issues which affect the contents of the prior formal notice;
  - (iii) it is considered appropriate to grant a final opportunity for the Supplier to rectify or otherwise remedy the identified issues; or
  - (iv) a Supplier complied with a formal notice, but again falls into poor performance later in the performance of the Contract.
  
- (f) In the event that the Supplier does not comply with the Formal Notice (Stage 2), the City may proceed to Stage 3. Stage 3 shall be issued by either the Manager of Purchasing or Legal Services and provide written notice of the implications of the continued poor performance, which may include:
  - (i) termination of the Contract;
  - (ii) removal of the Supplier's eligibility to participate in future Competitive Processes for a specific time period;
  - (iii) a demand for damages;
  - (iv) claiming under applicable bonds or sureties;
  - (v) remedies expressly contained in the Contract; and
  - (vi) other remedies available at law.
  
- (g) Stage 3 will be completed in consultation with the Manager of Purchasing, Legal Services, and the Commissioner of the Department. The Manager Purchasing will provide notice of the contents of Notice of Consequences to the Finance Department (if applicable), and to other City staff with Contracts with the Supplier.

#### 11.04 **Administrative Appeal of Exclusion**

- (a) If a Supplier Performance Infraction proceeds to Stage 3, resulting in an Exclusion, the Supplier may, within 15 Working Days of notice of the Exclusion, appeal the Exclusion by submitting to the Manager of Purchasing a written appeal, giving full details and explanation as to the history of the events, and identifying why the Supplier believe the Exclusion should not be applied.
- (b) Within 15 Working Days of receiving an appeal to the Exclusion, the City will schedule a meeting with: (i) the applicable Director; (ii) the Manager of Purchasing; (iii) the Purchasing Division staff member assigned to that Procurement file; a City staff member with knowledge of the Procurement and the Supplier's poor performance; (iv) such other City staff deemed appropriate by the Manager of Purchasing; and (v) up to 2 representatives of the Supplier. The Supplier will be given an opportunity to explain and defend the Supplier's performance and request that the Exclusion be reconsidered.
- (c) If the Supplier is not satisfied by the results of the appeal of the Exclusion, the Supplier may elect to contact Legal Services.

## SCHEDULE 1

### PROCUREMENT METHODS AND DELEGATED AUTHORITIES

Procurement Method	Procurement Value	Who administers the Procurement process?	Delegated Signing Authority
<b>Low Value Procurement</b>	<ul style="list-style-type: none"> <li>Does not exceed \$25,000</li> </ul>	<ul style="list-style-type: none"> <li>Department</li> <li>Purchasing Division may assist, if requested.</li> </ul>	<ul style="list-style-type: none"> <li><b>Staff member of applicable Department with applicable delegated signing authority.</b></li> </ul>
<b>Invitational Competition</b>	<ul style="list-style-type: none"> <li>Does not exceed \$100,000</li> <li>The following are <b>not permitted</b>:                             <ul style="list-style-type: none"> <li>Multi-year terms.</li> <li>Options to renew / extend</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Department</li> <li>Purchasing Division may assist, if requested.</li> </ul>	<ul style="list-style-type: none"> <li><b>Staff member of applicable Department with applicable delegated signing authority, plus the Coordinator or Manager of Purchasing, Director of Purchasing, or City Treasurer, as authorized.</b></li> <li>Purchase order is required.</li> </ul>
<b>Open Competition</b>	<ul style="list-style-type: none"> <li>Greater than \$100,000</li> </ul>	<ul style="list-style-type: none"> <li>Purchasing Division</li> </ul>	<ul style="list-style-type: none"> <li><b>Staff member(s) with applicable delegated signing authority, plus the Coordinator or Manager of Purchasing, Director of Purchasing, or City Treasurer, as authorized.</b></li> <li>Purchase order and/or Contract is required, as determined by Manager of Purchasing</li> </ul>
<b>Non-Standard Procurement</b>	<ul style="list-style-type: none"> <li>Does not exceed \$100,000</li> </ul>	<ul style="list-style-type: none"> <li>Department</li> <li>Manager of Purchasing or Director of Purchasing shall be consulted and approve the Non-Standard Procurement prior to an award.</li> </ul>	<ul style="list-style-type: none"> <li><b>Staff member of applicable Department with applicable delegated signing authority plus the Manager of Purchasing or Director of Purchasing, as authorized.</b></li> <li>Purchase order and/or Contract is required.</li> </ul>
<b>Non-Standard Procurement</b>	<ul style="list-style-type: none"> <li>\$100,000 or greater</li> </ul>	<ul style="list-style-type: none"> <li>Department</li> <li>Manager of Purchasing or Director of Purchasing shall be consulted.</li> </ul>	<ul style="list-style-type: none"> <li><b>Mayor plus City Clerk or as delegated to staff by Council.</b></li> </ul>

Procurement Method	Procurement Value	Who administers the Procurement process?	Delegated Signing Authority
<p><b>Renewal:</b> renewal agreement for continued provisions of Deliverables</p>	<ul style="list-style-type: none"> <li>• Must be triggering a right to renew in an existing agreement.</li> <li>• On such terms and means as determined by the Manager of Purchasing or Director of Purchasing in consideration of the terms of the original agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing Division in consultation with the applicable Department</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staff member of the applicable Department with applicable delegated signing authority, plus the Coordinator or Manager of Purchasing, Director of Purchasing, or City Treasurer, as authorized.</b></li> </ul>
<p><b>Extension:</b> extension of an agreement for Deliverables</p>	<ul style="list-style-type: none"> <li>• Council approval required.</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing Division in consultation with the applicable Department.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Mayor plus City Clerk or as delegated to staff by Council.</b></li> </ul>
<p><b>Amendments re: vendor assignment and succession:</b> any agreement or other documentation needed to recognize and accept any change in the name or business structure of a Supplier, such as changes resulting from the Supplier merging with another party</p>	<ul style="list-style-type: none"> <li>• Any value, regardless of Contract price</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing Division in consultation with Department and with Legal Services</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staff member of applicable Department with applicable delegated signing authority, plus the Coordinator or Manager of Purchasing, Director of Purchasing, or City Treasurer, as authorized.</b></li> </ul>
<p><b>Any other amendment:</b> any agreement to change the terms of the original agreement that is not an Option to Buy, renewal or extension agreement and not through a change order process as permitted in the original agreement</p>	<ul style="list-style-type: none"> <li>• As determined by the Manager of Purchasing or Director of Purchasing in consideration of the terms of the original agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing Division in consultation with the applicable Department.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff member of the applicable Department with applicable delegated signing authority <b>plus</b> Coordinator or Manager of Purchasing, Director of Purchasing, or City Treasurer, as authorized.</li> </ul>
<p><b>Change Order:</b> any agreement change to the terms of the original agreement such as change in scope, timeline or price, and which is through the change order process permitted in the original agreement</p>	<ul style="list-style-type: none"> <li>• In accordance with the original agreement.</li> </ul>	<ul style="list-style-type: none"> <li>• Department</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staff member of the applicable Department with applicable delegated signing authority.</b></li> <li>• In accordance with section 7.02 and 7.03.</li> </ul>
<p><b>Disposal of Surplus Goods</b></p>	<ul style="list-style-type: none"> <li>• In accordance with section 2.15.</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing Division in consultation with Department staff unless otherwise authorized by the Manager of Purchasing or Director of Purchasing.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Staff member of the applicable Department with the applicable delegated signing authority plus the Coordinator or Manager of Purchasing, Director of</b></li> </ul>

Procurement Method	Procurement Value	Who administers the Procurement process?	Delegated Signing Authority
			Purchasing, or City Treasurer, as authorized.
<b>Option to Buy</b>	<ul style="list-style-type: none"> <li>In accordance with the terms of the original agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Purchasing Division in consultation with Department unless otherwise authorized by the Manager of Purchasing or Director of Purchasing.</li> </ul>	<ul style="list-style-type: none"> <li><b>Staff member of the applicable Department with applicable delegated signing authority plus the Coordinator or Manager of Purchasing, Director of Purchasing, or City Treasurer, as authorized.</b></li> </ul>

**SCHEDULE 2**  
**CONSEQUENCES OF ERRORS IN BINDING BIDS**

ERROR OR IRREGULARITY	CONSEQUENCE
Bid not submitted through Electronic Bidding System, where required.	Automatic rejection.
Failure to provide Bid security when required by Solicitation Document.	Automatic rejection.
Bid security, when required by Solicitation Document is either unenforceable, or is not fully enforceable on its face.	Automatic rejection.
Bid security, when required by Solicitation Document, is not in required amount or format.	Automatic rejection.
The City is unable to verify the E-bond bid security, where Bid security is required by Solicitation Document.	Upon request by the City, the Supplier shall, within 2 business days, remedy the verification to the City's satisfaction or submit the original Bid security. Failure to comply shall result in rejection.
Failure to attend and sign attendance record for a mandatory site meeting, if applicable, at the time specified in the Solicitation Document.	Automatic rejection.
Bid contains something which requires clarification, as determined in the sole discretion of the Manager of Purchasing AND where Manager of Purchasing determines, in their sole discretion, that such clarification will not result in an unfair advantage to other Suppliers who submitted a Bid in response to the Solicitation Document.	Upon request by the Purchasing Division, the Supplier shall, within 2 business days, provide the requested clarification to the satisfaction of the Purchasing Division. Failure to comply shall result in rejection.
Incorrect or unclear math calculation.	Upon request by the Purchasing Division, the Supplier shall, within 2 business days, confirm the mathematical calculation. Failure to comply shall result in rejection.

## **SCHEDULE 3**

### **EXEMPTIONS**

Departments shall not be required to comply with this Policy for the following Procurement:

1. **Transaction-specific exceptions approved by Council**

Transaction-specific exceptions approved by Council from time to time through resolution, it being the intention that any new exceptions of general or continuing application will be approved by By-law as additions to this Schedule.

2. **Employer's General Expenses**

- (a) Payments pursuant to agreements approved by Council
- (b) Temporary staffing agencies and services
- (c) Maintenance fees for software and computer hardware, including additional or upgraded modules, features, licenses and related software. Renewal and expansion of cloud and subscription-based solutions.
- (d) Goods for the purpose of retail sales by the City
- (e) Deliverables as the result of insurance claims

3. **Professional and Special Services**

- (a) Specialized financial services and advice
- (b) Legal and ancillary services, including expert witnesses, consultants, and valuers for matters actually in litigation or which may reasonably be expected to be in litigation
- (c) Entertainers for theatre or special events

4. **Utilities**

- (a) Non-owned utility construction works. The addition, removal, modification, relocation, identification, or engineering related to work to non-owned utility infrastructure that exists on road allowances, right of ways and other City properties. This includes sub-surface and above-surface infrastructure.
- (b) Telephone (basic services), cellular and wireless devices

5. **Real Property Interests**

- (a) All real estate transactions (e.g. sale, purchase, lease, or license of real property)

6. Election materials and equipment including any ancillary Services.

7. **Art and Artifacts**

- (a) Acquisition of Public Art, as defined in the City's Public Arts Policy (Corporate-035).
- (b) Antiques and historical artifacts but not including restoration services.

8. Procurements resulting in agreements where all the following are met:

- (a) the agreement is managed by Department staff from either the Community Services & Social Development or CAO Commissions;

- (b) the term of the agreement does not exceed the lesser of:
  - (i) five years; or
  - (ii) the term of guaranteed funding pursuant to a government grant or government program;
- (c) the agreement is within budgetary limits;
- (d) the agreement is reasonably required to fulfill City obligations pursuant to a government program or approved Council strategy, including one-time grants or allocations for which provincial or federal funding is being provided;
- (e) the agreement is with a registered charity, qualified donee, or not-for-profit organization or entity; and
- (f) the Procurement meets one of the following requirements:
  - (i) the Procurement is within an existing program and will result in an agreement that does not have substantial substantive changes from previous agreements, where a determination of substantial substantive changes is made by either the Commissioner of Community Services & Social Development or the CAO, as applicable, in consultation with the Manager of Purchasing or Director of Purchasing; or
  - (ii) the Procurement is arising pursuant to the terms of a government grant and the value of the Contract is being fully funded by the terms of the grant or allocation;

## Related Policy Guidelines

<p><b>Date of Enactment:</b></p> <p>2001</p> <p>March 24, 2015</p>	<p><b>Related by By-law Number/ Staff Report Number:</b></p> <p>2025-390</p> <p>32-2014/CS2014-004</p> <p>76-2015/CS2015-60</p> <p>63-2016/CS2016-038</p> <p>91-2018/CS2018-058</p> <p>34-2020/CS2020-64</p>
<p><b>Review Date:</b></p> <p>August 26, 2025</p> <p><b>Amendment Dates:</b></p> <p>2010</p> <p>May 22, 2012</p> <p>March 24, 2014</p> <p>June 22, 2015</p> <p>April 26, 2016</p> <p>June 26, 2018</p> <p>March 24, 2020</p>	<p><b>Department Responsible for Review:</b></p> <p>Purchasing Division</p>
<p><b>Date of Next Review:</b></p> <p>2030</p>	<p><b>Applicable Legislation/ Legislative Authority:</b></p> <p>Ontario Municipal Act, 2001, as amended</p>