



THE CORPORATION OF THE MUNICIPALITY OF RED LAKE

BY-LAW No. 29-2025

BEING A BY-LAW TO ADOPT POLICIES AND PROCEDURES TO GOVERN THE PROCUREMENT OF GOODS, SERVICES OR CONSTRUCTION AND DISPOSAL OF ASSETS


WHEREAS *Section 270 of the Municipal Act, 2001, S.O. C.25, as amended,* requires that a municipality shall adopt and maintain a policy with respect to its procurement of Goods and Services; and

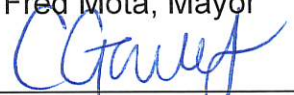
WHEREAS this By-Law establishes the authority and sets out the methods by which Goods, Services and/or Construction will be purchased and disposed of for the purposes of The Corporation of the Municipality of Red Lake subject to certain exceptions set out herein;

NOW THEREFORE the Council of the Corporation of the Municipality of Red Lake hereby **ENACTS AS FOLLOWS:**

1. **THAT** the Procurement By-Law, annexed hereto as Schedule "A" and forming a part of this By-Law, is hereby adopted by the Council of The Corporation of the Municipality of Red Lake.
2. **THAT** By-Law No. 68-2022 is hereby repealed.
3. **THAT** this By-Law shall come into force and take effect on the final passing thereof.


READ a FIRST TIME and SECOND TIME this 28th day of April, 2025.

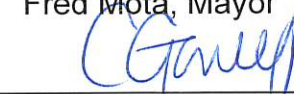


Fred Mota, Mayor


Christine Goulet, Clerk

READ a THIRD TIME and FINALLY PASSED this 28th day of April, 2025.



Fred Mota, Mayor


Christine Goulet, Clerk

The Corporation of the Municipality of Red Lake



Procurement By-Law

Adopted by By-Law No. 29-2025

Effective April 28, 2025

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1 Definitions

- 1.1 "Blanket Purchase Order" means a Contract between the Municipality of Red Lake and a supplier for the supply of regularly ordered Goods or Services at specified unit prices with, where possible, maximum dollar limits, or discounts, but no specified quantities, not to exceed \$3,000 (three thousand dollars) including taxes.
- 1.2 "Bid" means a submission from a supplier in response to bid solicitation document.
- 1.3 "Bid Solicitation Document" means a document issued by the Corporation to solicit competitive bids from suppliers and includes a Request for Quotations ("RFQ"), Request for Tenders ("RFT") and Request for Proposals ("RFP").
- 1.4 "Bidder" means a supplier that submits a bid.
- 1.5 "Buying Group" means an organization that consolidates purchasing power to achieve better pricing and contract terms for its members.
- 1.6 "C.A.O." shall mean the person, or designate, appointed by the Corporation to be exercise general control and management of the affairs, ensuring efficient and effective operations.
- 1.7 "Competitive Bidding Process" means a procurement method where multiple suppliers are given an opportunity to submit bids in response to bid solicitation document.
- 1.8 "Contract" means a legally binding commitment between the Corporation and one or more supplier(s) for the acquisition of goods and services.
- 1.9 "Contract Value" means the total estimated expenditures under a contract over the entire period of the contract, including options and renewal periods, including the non-refundable tax amount.
- 1.10 "Construction" shall mean a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, soil investigation, the supply of products and materials and the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering design or architectural work, but does not include professional services related to the construction contract unless they are included in the specifications for the procurement.
- 1.11 "Corporation" shall mean The Corporation of the Municipality of Red Lake.
- 1.12 "Council" shall mean the Council of The Corporation of the Municipality of Red Lake.

- 1.13 "Department Head" shall mean the Head of a specific Department, or Designate, who is responsible for the operations and departmental budget of a Department.
- 1.14 "Designate" means the person or persons assigned the duties and responsibilities on behalf of, and in the absence or in the capacity of the person charged with the principal authority to take the relevant action or decision.
- 1.15 "Emergency" means a situation or the threat of an impending situation, which may affect the environment, the life, safety, health and/or welfare of the general public or the property of the residents of the Municipality of Red Lake, or to prevent serious damage, disruption of work, or to restore or to maintain essential service to a minimum level, subject to provisions of the Emergency Management Program By-Law.
- 1.16 "Essential Infrastructure Authority" shall mean an entity responsible for the management, operation and maintenance of critical public infrastructure, such as water, sewer and airport system.
- 1.17 "Goods" shall mean all tangible, moveable property, including raw materials, products, equipment and other physical objects of every kind and description, as well as the cost of installing, operating, maintaining or manufacturing such moveable property.
- 1.18 "Municipality" shall mean The Corporation of the Municipality of Red Lake.
- 1.19 "Procurement" or "Purchase" means the acquisition of goods and/or services by purchase, rental, or lease.
- 1.20 "Procurement department" shall mean any individual hired under the Procurement department heading or Designate (as delegated by the Treasurer).
- 1.21 "Quotation" shall mean to state or provide, verbally or in writing, a price for securities, goods, services or construction.
- 1.22 "Request for Proposal" means a competitive procurement method used to acquire Goods, Services, or Construction. The Request for Proposals process encourages different solutions from vendors and actively searches for better and more creative ideas for supply contracts. It is a wide-open alternate bidding process. Request for Proposals provide a process whereby the negotiation and award is based on demonstrated competence, qualifications and the technical merits of the Proposal at a fair price.
- 1.23 "RFP" means Request for Proposal.
- 1.24 "Services" means services of all kinds, including labour, construction, maintenance and professional and consulting services, unless otherwise specified.

- 1.25 "Single Source" means more than one source is available, but the circumstances justify the selection of a supplier without a competitive bidding process.
- 1.26 "Sole Source" means there is only one available supplier of the required goods or services, but the circumstances justify the selection of a supplier without a competitive bidding process.
- 1.27 "Supplier" means a person carrying on the business or providing goods or services and includes an individual, firm, partnership or proprietorship, vendor, contractor, architect, consultant, bidder or proponent.
- 1.28 "Surplus Asset" shall include new or used equipment, vehicles or materials, which are of no further use to the Corporation.
- 1.29 "Tender" is a process where the Corporation specifies in a Tender document, with detail and precision, the exact Goods and Services it requires. Bidders are asked to submit Bids that include pricing only, with no deviation from any of the terms, conditions or specifications in the Tender document, unless specifically asked to do so.
- 1.30 "Treasurer" shall mean the person appointed by the Corporation to perform the statutory duties of Municipal Treasurer and is responsible for handling all the financial affairs of the municipality on behalf of and in the manner directed by Council of the municipality. The Treasurer may delegate authority with respect to the requirements of this By-Law and that person shall have the authority of the Treasurer.

2 Purpose

- 2.1 To Ensure all procurement activities, including purchases, construction, and surplus asset disposal, are conducted openly, fairly, transparently, and align with the Broader Public Sector Directives.
- 2.2 To protect the Corporation, public, and participants by clearly defining how Goods and Services are procured.
- 2.3 To maintain procurement integrity by consistently using the most appropriate acquisition method to secure the best value for the Corporation.
- 2.4 To ensure the Corporation's procurement of Goods and Services is in compliance with all legislative and regulatory requirements, including but not limited to:
 - 2.4.1 the Municipal Act;
 - 2.4.2 the Municipal Conflict of Interest Act;

- 2.4.3 the Municipal Freedom of Information and Protection of Privacy Act;
 - 2.4.4 the Accessibility for Ontarians with Disabilities Act;
 - 2.4.5 the Discriminatory Business Practices Act;
 - 2.4.6 the Canadian Free Trade Agreement (CFTA);
 - 2.4.7 the Canada-European Union Comprehensive Economic and Trade Agreement (CETA);
 - 2.4.8 the Trade and Cooperation Agreement between Ontario and Quebec;
 - 2.4.9 any successor federal or provincial legislation, regulations, or agreements governing municipal procurement; and
 - 2.4.10 all Corporation bylaws, policies and procedures governing City expenditures and standards of conduct of City employees.
- 2.5 To clearly define circumstances in which non-competitive procurement processes may be used.
 - 2.6 To clarify roles and responsibilities in all stages of the procurement process.
 - 2.7 To outline co-operative or group purchasing processes.
 - 2.8 To detail the process for surplus goods disposal.
 - 2.9 To reinforce fairness, openness, and transparency, the following principles shall govern all procurement activities:
 - 2.9.1 Ensuring equal treatment of all suppliers without preferential treatment
 - 2.9.2 Making procurement opportunities accessible to all qualified suppliers
 - 2.9.3 Ensuring clear decision-making processes, documentation, and accessibility of information

3 Scope

- 3.1 This By-Law applies to all Corporation staff, Council, Boards, Contracted service Authorities and Committees involved in procurement.
- 3.2 It governs the procurement of Goods and Services excluding surplus asset disposal per the Surplus Assets Disposal Policy in Schedule "A" and items in Schedule "C."

- 3.3 It does not cover real property acquisition or disposal, which is governed by relevant policies or By-laws in effect.
- 3.4 Contract splitting or altering procurement requirements to bypass this By-law is prohibited.
- 3.5 All monetary values are in Canadian funds.

4 Roles and Responsibilities

4.1 Role of Council

- 4.1.1 Under Section 224 of the Municipal Act 2001, Council is responsible for establishing policies and ensuring accountability and transparency in the Corporation's procurement operations.
- 4.1.2 Council fulfills this role by setting policies in this By-law, approving expenditures through the budget process, and recognizing the need to separate political and administrative functions in procurement operations.
- 4.1.3 Through this By-law, Council delegates authority to Senior Management to incur expenditures within approved budgets, procure goods and services, and execute contracts in line with the By-law and procedures.
- 4.1.4 For significant projects, Council may be required to approve, as per Schedule B – Approval Authority, procurements for high-value, high-risk, security-sensitive, or community-impact projects.
- 4.1.5 Council may provide oversight on major projects but does not participate in operational procurement activities unless an exception or approval is required.
- 4.1.6 To avoid bias or political influence, Council members will not participate in competitive bidding processes, except when their approval is mandated by the By-law.

4.2 CAO

- 4.2.1 Promote the By-law and oversee the Treasurer in fulfilling its duties.
- 4.2.2 Approve contract awards as specified in the By-law.
- 4.2.3 Inform Council of non-compliance with this By-law if it occurs.

- 4.2.4 The CAO also has the authority to instruct Department Heads not to award a contract and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interest of the Corporation.

4.3 Treasurer

- 4.3.1 Authorized to establish administrative procedures to implement this By-law.
- 4.3.2 Responsible for overseeing procurement of Goods and Services within the limits and policies established by the Council.
- 4.3.3 May delegate responsibilities outlined in this By-law to authorized Corporation employees.
- 4.3.4 Authorized to arrange payment for Goods and Services as per the By-law or Council Resolutions.
- 4.3.5 Oversee the Procurement department in fulfilling By-law duties.
- 4.3.6 Provide procurement advice and services to Staff, Council, Boards and Committees of the Corporation.
- 4.3.7 Approve contract awards as specified in the By-Law.
- 4.3.8 Monitor compliance with the By-law and escalate non-compliance to the CAO.

4.4 Procurement department

- 4.4.1 Ensure consistent application of this By-law and procedures, while recording non-compliance instances.
- 4.4.2 Provide efficient and diligent procurement advice and services.
- 4.4.3 Supply departments with procurement forms, contracts, and competitive bid templates to meet the Corporation's needs.
- 4.4.4 Facilitate the procurement process, including solicitation creation, compliance checks, contract awards, extensions, change orders, and contractor performance support.
- 4.4.5 Maintain current insurance, WSIB certificates, and bonds as required by solicitation documents or contracts.
- 4.4.6 Initiation of research, development, maintenance, and updating procurement policies, procedures, templates, and forms.

- 4.4.6.1 Established approval process must be followed for implementation or amendments to policies, procedures, templates and forms.
 - 4.4.7 Address procurement issues and seek guidance from the CAO, Treasurer, Department Heads, or legal counsel as needed.
 - 4.4.8 Provide orientation, training, and tools for employees involved in procurement.
- 4.5 Department & Committee Heads
 - 4.5.1 Oversee all departmental procurement activities, ensuring compliance with the By-law and procedures.
 - 4.5.2 May delegate responsibilities outlined in this By-law to authorized Corporation employees, provided the designate has responsibility for a budget and the delegated responsibilities remain within their budgetary limits.
 - 4.5.3 Prepare procurement requirements, specifications, and scopes of work.
 - 4.5.4 Promote full, open, fair, and transparent competition.
 - 4.5.5 Award contracts as specified in the By-law.
 - 4.5.6 Manage contracts through completion, including payments, and obtain necessary approvals for early termination or amendments.
 - 4.5.7 Ensure deliverables meet contract terms, conditions, and specifications throughout the contract term.
 - 4.5.8 Inform the Treasurer and CAO of any non-compliance with the By-law.
 - 4.5.9 Be accountable for decisions to proceed with procurement processes or transactions not in compliance with the By-law.
- 4.6 Departmental employees and other individuals conducting procurement activities (when given the authority to do so) on behalf of the Corporation, including Essential Infrastructure Authorities
 - 4.6.1 Complying with this By-Law, and all related policies and procedures
 - 4.6.2 Understanding their obligations and responsibilities under this By-Law and related policies and procedures and consulting with the Procurement department if they have any questions regarding their application or interpretation.

5 Authorization

5.1 Authority for Expenditures

- 5.1.1 Council holds ultimate authority for all expenditures and delegates procurement authority to staff through annual budgets or Council resolutions.
- 5.1.2 Department Heads must ensure all procurements remain within their approved operating or capital project budgets.
- 5.1.3 Reallocating funds between Operating and Capital Budgets requires Council approval.

5.2 Authority to Award Contracts or Issue Purchase Orders

- 5.2.1 Approval authority for awarding contracts and issuing purchase orders is outlined in Schedule B. No award may be communicated to a supplier without proper approval.
- 5.2.2 Contracts or agreements must be fully approved before notifying successful or unsuccessful suppliers.

5.3 Authority to Execute Contracts

- 5.3.1 Contracts valued between \$5,000 and \$49,999 must be executed by the CAO and Clerk, while those \$50,000 or greater require Council approval.
 - 5.3.1.1 Contracts must not be executed until the award is approved and all required documentation is received in satisfactory form.
- 5.3.2 A staff report is required for all contracts valued over \$50,000 and all emergency procurements over \$5,000 before council approval.
 - 5.3.2.1 The report must be prepared by the relevant Department Head and include the following details:
 - Summary of the procurement process, including the competitive or non-competitive method.
 - Evaluation results and justification for the recommended award.
 - Financial impact, including budget availability and funding sources.
 - Any identified risk or special contract conditions.
 - 5.3.2.2 The report shall be submitted to the CAO, or designate, for review prior to the next Council meeting.

5.4 Authority to Renew or Extend Contracts

5.4.1 Contract renewals or extensions may be authorized by the Department Head and Treasurer if:

5.4.1.1 The supplier's performance meets contract requirements.

5.4.1.2 Renewal serves the Corporation's best interests.

5.4.1.3 Funds are available in the approved budget.

5.5 Authority to Approve Change Orders

5.5.1 If an unforeseen change requires additional deliverables under an existing contract, the Department Head and Treasurer may approve a change order if funds are available and it follows the Corporation's change order procedure.

5.6 Authority to Make Payments

5.6.1 Department Heads may approve payments for goods and services, provided procurement followed this By-law or Schedule B.

6 Conditions for Procurement of Goods and Services

6.1 All purchases must align with approved budgets unless Council directs otherwise through a By-law or Resolution.

6.2 Goods, Services, or Construction must be procured using an approved Method of Procurement as outlined in Section 9.

6.3 Consultants may be used to prepare specifications for engineering, design and preparation of tenders, quotations, or funding applications for other government agencies. The services must be obtained as is defined in the Methods of Procurement.

7 Purchase Orders and Contracts

7.1 Treasurer shall establish procedures and practices for the issuance of purchase orders. Any such properly issued purchase order shall be considered a legal and binding document. Where a purchase order is based on a quotation, tender or request for proposal, such quotation, tender or request for proposal must be referenced on the purchase order.

7.2 Any contract required as a result of these policies or practices shall be approved as per Schedule B – Approval Authority.

- 7.3 Fixed end dates for issuing new purchase orders applicable to Capital Projects for all Departments shall be September 30th of each fiscal year.
- 7.4 Fixed end dates for issuing new purchase orders applicable to the Operating Budgets for all Departments shall be November 30th of each fiscal year.

8 Methods of Procurement

- 8.1 Staff, committees and authorities must determine the contract value, including non-refundable taxes, and including all estimated expenditures over the entire period of the contract, including options and renewal periods, prior to determining the appropriate procurement method.
- 8.2 The Corporation will use the methods of procurement in Schedule A, unless an alternative method is approved in accordance with this By-law.

8.2.1 Direct Purchases

8.2.1.1 If the contract value is below \$5,000, only one written quotation is required. Department heads are encouraged to obtain and compare multiple quotations to demonstrate best value when practicable.

- a) Verbal quotes are not accepted.

8.2.2 Written Quotes

8.2.2.1 If the contract value is between \$5,001 and \$30,000, Department heads are required to obtain a minimum of two written quotations.

8.2.2.2 Should two written quotations not be received from the appropriate suppliers, then documentation from the Procurement department which indicates that a request was made to two or more suppliers shall be submitted to the Treasurer & Department Head with such an explanation.

- a) Verbal quotes are not accepted.

8.2.3 Invitational Competition

8.2.3.1 An Invitational Competition will be used when the value of the goods and services is between \$30,001 - \$100,000.

8.2.3.2 A Request for Quotations (RFQ) should be used when best value for the Municipality can be achieved based on selection of the lowest compliant bid.

- 8.2.3.3 A Request for Proposals (RFP) should be used when best value for the Municipality can be achieved by evaluation qualitative criteria in addition to cost.
- 8.2.3.4 The Procurement department, in conjunction with the Department Head, are responsible for preparing the bid solicitation document and conducting the Invitational Competition in accordance with applicable procedures.
- 8.2.3.5 Bids must be received, reviewed, and evaluated in accordance with the bid solicitation document and applicable procedures.
- 8.2.3.6 Any contract(s) resulting from a binding Invitational Competition must be awarded to the successful bidder(s) based on the outcome of the evaluation and selection process described in the bid solicitation document.
- 8.2.3.7 Should three quotations or proposals not be received from the appropriate suppliers, then documentation from the Procurement department, in conjunction with the appropriate Department Head, which indicates that a request was made to three or more suppliers must be submitted to the Treasurer with such an explanation.

8.2.4 Public Competition

- 8.2.4.1 A Public Competition will be used when the value of the goods and services is \$100,001 or above.
- 8.2.4.2 A Request for Tender (RFT) should be used when:
- The Municipality can clearly define its requirements; and
 - Best value for the Municipality can be achieved based on selection of the lowest compliant bid.
- 8.2.4.3 A Request for Proposals (RFP) should be used when:
- The solution to the Municipality's requirements cannot be clearly defined and innovative solutions are needed; and
 - Best value for the Municipality can be achieved by evaluating qualitative criteria in addition to cost.
- 8.2.4.4 The Department Head is responsible for developing detailed specifications and scope of work for inclusion in the bid solicitation document.

- 8.2.4.5 The Procurement department, in consultation with the Department Head, is responsible for finalizing the bid solicitation document and conducting the Public Competition in accordance with applicable procedures.
- 8.2.4.6 Bids must be received, reviewed, and evaluated in accordance with the bid solicitation document and applicable procedures.
- 8.2.4.7 Any contract(s) resulting from a binding Public Competition must be awarded to the successful bidder(s) based on the outcome of the evaluation and selection process described in the bid solicitation document.
- 8.2.4.8 Should less than two Tenders or Proposals be received then documentation from the appropriate Department Head must be submitted to the Treasurer with an explanation. The documentation should include verification that the procurement process was conducted openly, fairly, and in compliance with all relevant rules, and that it is competitive in comparison with market prices.
- 8.2.4.9 Sealed Request for Tenders, or sealed Request for Proposals may be received electronically through e-tendering websites, the Corporation's designated website submission portal, email or in person by the Procurement department or designate. All submissions shall remain secured and inaccessible until the official opening at a public meeting, as specified in the Bid Solicitation Document.
- 8.2.4.10 The public meeting shall be conducted by the Procurement department or designate (appointed by the Treasurer) and the requisitioning Department Head or designate. During the meeting, sealed in-person submissions shall be physically opened, and electronic submissions shall be electronically unsealed in accordance with established procurement protocols. The public disclosure shall be recorded by a person designated by the Procurement department or designate. The public disclosure shall be read as follows:
- Tender – The bidder's name and total price, including HST, shall be read aloud and recorded
 - RFP/Quotations/Sealed Bids for surplus property (excluding real estate) – Only the proponent's name shall be read aloud and recorded.

8.2.5 Evaluation of Invitational or Public Competition

- 8.2.5.1 All competitive procurement processes shall require an Evaluation Committee responsible for reviewing, assessing and rating compliant bids comprised of 1 staff member from the Procurement department, the Treasurer and the Department Head.
- 8.2.5.2 Evaluation Committee members shall be made aware of restrictions regarding the use of confidential and commercial sensitive information collected through the procurement process. Information obtained during bid evaluation shall not be shared, discussed or disclosed outside of the procurement process.
- 8.2.5.3 Each Evaluation Committee member shall independently complete an Evaluation Matrix, rating each submission based on the pre-established evaluation criteria. The final evaluation scores shall be reviewed collectively to determine the recommendation for the successful proponent.
- a) Completed evaluation matrices and related assessment records must be retained in accordance with municipal record-keeping policies and applicable procurement regulations.
 - b) Evaluators must ensure that all recorded comments, notes and ratings are:
 - Fair and unbiased
 - Factually accurate
 - Defensible in the event of a procurement audit, legal review or bidder inquiry

8.2.6 Other Processes

8.2.6.1 Market Research Tools

To protect the integrity of the procurement process, the following market research tools shall be through the Procurement department:

- a) A Request for Information may be issued in advance of procurement to provide staff with an understanding of potential solutions/needs and assist in the development of requirements, specifications, scope of work and/or terms and conditions.

- b) A Request for Expression of Interest may be issued to obtain information on the availability and interest of suppliers of any goods or services.
- c) Requests for Information and Requests for Expression of Interest are used to conduct market research, without the intention of evaluating the responses or awarding a contract. These processes may not be used to pre-qualify a potential supplier and must not influence their chances of being a successful bidder on any subsequent purchasing opportunity.
- d) The issuance of a Request for Information or Request for Expression of Interest does not obligate the Municipality to proceed with a competitive bidding process.

8.2.6.2 Qualified Suppliers Lists

- a) A Qualified Supplier List may be established through a publicly advertised pre-qualification process, which prequalifies suppliers to be placed on a list of suppliers that will be eligible to supply particular goods and services to the Municipality.
- b) Qualified Supplier Lists will be for specified types or categories of goods and services and will be valid for a specified period of no longer than three years. Depending on the contract value of subsequent procurements contracts may be awarded to suppliers on the Qualified Supplier List on a rotational basis or based on quotations submitted by the suppliers.
- c) Department Heads, in consultation with the Procurement department, are responsible for establishing and managing Qualified Supplier Lists in accordance with applicable procedures.

8.2.6.3 Cooperative and Group Purchasing

- a) The Corporation may procure goods and services directly through a buying group to which the Corporation has access to, in lieu of conducting an informal competition or invitational competition under this Policy.
- b) The Corporation may participate in cooperative purchasing or joint purchasing initiatives with other municipalities, regions, local boards and other public or not for profit agencies when

determined by the Department Head and the Purchasing department to be in the Corporation's best interests through savings or efficiency.

8.2.7 Supplier Debriefing

- 8.2.7.1 Unsuccessful bidders may request a formal debriefing session within 60 days of contract award.
- 8.2.7.2 The Procurement department shall provide feedback on the evaluation process and supplier ranking.
- 8.2.7.3 The debriefing shall not disclose competitor pricing or proprietary information.
- 8.2.7.4 All bidders must certify that they have not colluded with competitors to fix prices, divide contracts, or manipulate bid outcomes.
- 8.2.7.5 Any supplier found guilty of bid-rigging, price-fixing, or anti-competitive behaviour under the Competition Act shall be disqualified from future procurements for a period of up to five (5) years.
- 8.2.7.6 The Corporation reserves the right to terminate contracts if evidence of collusion emerges after award.

9 Sole and Single Sourcing

9.1 Sole Sourcing is a method of procurement whereby a contract is awarded without a competitive bidding process because the supplier is the only source of supply for the required goods or services. Sole Sourcing will be permitted if one or more of the following circumstances apply:

- 9.1.1 One supplier/contractor possessing the unique ability or capability to meet the requirements of the Municipality due to a patent, sales/distributor agreement or copyright.
- 9.1.2 The supply relates to necessary unique replacement parts from an exclusive source of supply.
- 9.1.3 The supply relates to the purchase of parts that must be compatible with goods previously supplied, and there are no reasonable alternatives to the products.
- 9.1.4 To maintain warranty or service agreement compliance for purchased products.

- 9.1.5 When the required item is covered by an exclusive right such as a patent, copyright, or exclusive license.
- 9.2 Single Sourcing is a method of procurement whereby there is more than one supplier able to supply the goods or service, but a contract is awarded without a competitive bidding process due to specific circumstances. Single Sourcing will be permitted if one or more of the following circumstances apply:
 - 9.2.1 Disclosure of information in an open contract competition would breach some duty of confidentiality or compromise security.
 - 9.2.2 The compatibility of the goods and/or services with existing equipment, product standards, facilities or service is a paramount consideration.
 - 9.2.3 There is an absence of competition for technical reasons and the goods and/or services can only be supplied by a particular supplier.
 - 9.2.4 An unforeseeable situation of urgency exists and the goods and/or services cannot be obtained in time by means of competitive bidding process.
 - 9.2.5 The Municipality conducted a competitive bidding process for the goods and services and received no bids.
- 9.3 Any single source or sole source procurement with a contract value over \$5,000 must be approved in accordance with Schedule "B" before the Department Head may proceed with the procurement.
 - 9.3.1 A justification letter must accompany all sole source or single source procurement approval requests exceeding \$5,000. This letter must be jointly prepared by the Procurement department and the Department head and must include the rationale for sole or single sourcing.

10 Procurement in Emergencies

- 10.1 Failure to plan and allow sufficient time for a competitive bidding process does not constitute an unforeseeable or emergency situation.
- 10.2 Emergency includes:
 - 10.2.1 an imminent or actual danger to the life, health, or safety of the public; health or safety of an official or an employee while acting on the Municipality's behalf;
 - 10.2.2 an unexpected occurrence interruption of essential public service;

- 10.2.3 an imminent or actual danger of damage to or destruction of real or personal property belonging to the Municipality or public if the damage or destruction is a result of a Municipality function or responsibility;
- 10.2.4 defined by the Emergency Management and Civil Protection Act as amended or The Municipality of Red Lake Emergency Management Program;
- 10.2.5 a spill of a pollutant as contemplated by the Environmental Protection Act as amended; and (f) when an urgent procurement is necessary for fulfilling a statutory order issued by a federal, provincial, or regulatory authority and timing of the order does not allow for competitive bidding (i.e., compliance order).
- 10.2.6 When goods or services are required in the event of an emergency, the Department Head may procure the goods and services in an expedited manner, with approval from the CAO, and shall submit a report to Council outlining the procurement and the conditions that constituted an emergency, together with a source of funding, prior to the end of the quarter in which the emergency procurement took place. If Council approval for the funding source is required, the Department Head shall submit the above information in the form of a Staff Report to the next available Council meeting.

11 Unsolicited Proposals

- 11.1 From time to time, unsolicited proposals may be received from proactive Proponents seeking to provide Goods or Services.
- 11.2 Staff may engage in discussions with potential Proponents on opportunities that exist in the market as part of informing themselves of market changes and opportunities. Before engaging in any such discussions, however, the Proponent must always be advised that any procurement or contract can only be initiated pursuant to this Policy.
- 11.3 If an unsolicited proposal (document) is received from any potential Proponent, the unsolicited proposal should be forwarded to the Treasurer, Procurement department, and the appropriate Department Head. The Department Head, with the assistance of Procurement department, shall first assess such proposals on the basis of whether they align with the strategic goals and objectives, do not circumvent the regular procurement processes, and the proposal's scale and scope align with the requirements and funding ability.
- 11.4 If it is determined that there is a legitimate need for the Goods or Services offered by way of an unsolicited proposal, then the procurement process shall be conducted in accordance with this Policy.

12 Additional Considerations

- 12.1 Public sector organizations in Ontario, including the Corporation, must comply with the regulations under AODA. The Accessibility Standard for Customer Service also applies to third parties that provide goods and services to members of the public on behalf of a public sector organization.
- 12.2 Department Heads must ensure that contracts require the supplier to meet all requirements under the AODA and associated regulations.

13 Sustainable Procurement

- 13.1 The Corporation is committed to purchasing environmentally friendly deliverables with due regard to the protection of the environment and public health, conservation of natural resources, reduction of toxicity and the minimization of waste.
- 13.2 All Departments are encouraged to seek additional ways of achieving the goal of being environmentally friendly and responsible by thorough review of each procurement process to ensure that where possible and economically feasible, specifications/terms of reference, scope provide for, expanded use of deliverables that contain post-consumer recyclable content.
- 13.3 Consideration of products, certified by an independently accredited organization, that prevent the over consumption of energy and other resources and reduce the production of waste, and release of substances harmful to the environment and or public health.
- 13.4 Consideration of energy efficiency and water conservation where applicable, and;
- 13.5 Consideration of Leadership in Energy and Environmental Design (LEED) for new buildings and renovations.

14 Exclusion of Bidders in Litigation

- 14.1 The Corporation reserves the right to reject bids from suppliers or their subcontractors engaged in active litigation with the Corporation.
 - 14.1.1 The exclusion shall not apply in cases where the litigation is unrelated to contract performance or financial disputes AND the supplier has previously performed satisfactorily in municipal projects.
- 14.2 For the purposes of this section, the phrase "party to litigation with the Corporation" includes cases in which the bidder or prospective bidder or any of the parties named above, have advised the Corporation in writing of their intention to commence

litigation, or have commenced or have advised the Corporation of their intention to commence an arbitral proceeding against the Corporation.

14.3 In determining whether or not to reject a bid under this section, the Corporation will consider whether the litigation is likely to affect the bidder's ability to work with the Corporation, its consultants and representatives, and whether the Corporation's experience with the bidder in the matter giving rise to the litigation indicates that the Corporation is likely to incur increased staff or legal costs in the administration of the contract if it is awarded to the bidder.

14.4 All bid solicitation documents issued by the Corporation pursuant to this policy shall contain a statement to the effect described above.

15 Conduct and Conflicts of Interest

15.1 A conflict of interest arises where a personal or business relationship or interest of a Councillor, officer, committee member or employee of the Corporation is in conflict or is perceived to be in conflict with the best interest of the ratepayers of the Corporation, and includes, the giving or receiving of personal gain, benefit, privilege, or advantage, directly or indirectly, by a business or individual or family member of an individual that provides or could in future provide good and services to the Corporation.

15.2 The acceptance of gift, money, benefit, favour or hospitality, the frequency or nature of which could be deemed by others as an influential factor related to any business decision that a Councillor, officer, committee member or employee of the Corporation might make, is prohibited. Anyone participating in procurement activities and decision-making on behalf of the Corporation must disclose all potential conflicts of interest to the CAO.

15.3 The corporation is committed to acting ethically in all its procurement activities.

16 Reward Points/Loyalty Programs

16.1 When procuring goods and services on behalf of the Corporation, staff may not acquire or accumulate points through loyalty programs such as Air Miles, Aeroplan, etc., either directly or indirectly, unless the benefit accrues to the Corporation.

17 Supplier Conduct and Conflict of Interest

17.1 The Corporation expects its suppliers to act with integrity and conduct business in an ethical manner.

17.2 The Corporation may refuse to do business with any supplier that;

- has engaged in illegal or unethical bidding practices
- has an actual or potential conflict of interest
- has an unfair advantage in the procurement process
- fails to adhere to ethical business practices

18 Risk Management

18.1 Insurance

18.1.1 Contracts must require the supplier to maintain insurance coverage sufficient to protect the Corporation.

18.1.2 The appropriate insurance coverage will be determined by the Procurement department

18.1.3 The Procurement department is responsible for obtaining proof of insurance coverage from the supplier prior to execution of the contract.

18.1.4 Where a supplier will be providing services on the Corporation's property, the Procurement department is responsible for obtaining a WSIB clearance certificate from the supplier prior to any work commencing on the contract.

18.2 Contract Management

18.2.1 It is the responsibility of the applicable Department Head to manage the Contract. Contract management shall include monitoring, documentation, invoice approvals and communication.

18.3 Bonds and Financial Security

To mitigate financial risk and ensure contract performance, the Corporation may require bonds or other financial securities as part of the procurement process. Bonds serve as a guarantee that the awarded contractor will fulfill their contractual obligations.

18.3.1 Bid Bonds

18.3.1.1 Bid Bonds are required only when explicitly stated in the bid solicitation documents.

18.3.1.2 Conditions Where Required

Where a Bid Bond is required by the procurement documents, the following conditions shall apply:

- a) The bid bond amount shall be 5% of the bid price.
- b) It must be submitted as either an original signed surety bond or an irrevocable letter of credit from a recognized Canadian financial institution.
- c) Bids submitted without the required bid bond shall be deemed non-compliant and may be rejected.

18.3.1.3 Forfeiture Conditions

A Bid Bond may be forfeited if the successful bidder:

- Bid withdrawal after award.
- Refuses to enter into a contract.
- Fails to provide the required performance and/or labour/material bonds.

18.3.1.4 A bid bond is returned if:

- The bidder is unsuccessful.
- The procurement process is cancelled prior to bid closing.
- The contract is cancelled before execution for reasons beyond the bidder's control.

18.3.2 Performance Bonds

Performance Bonds are required only if explicitly stated in the bid solicitation documents.

18.3.2.1 Requirements When Applicable:

- a) The Performance Bond amount shall be 50% of the total contract price.
- b) The Corporation reserves the right to increase or decrease this amount based on project risk and funding requirements.

- c) The Performance Bond must remain valid for the full duration of the contract and any applicable warranty period.
- d) The bond must be submitted as an original signed surety bond or an irrevocable letter of credit from a recognized Canadian financial institution.

18.3.2.2 Claim Conditions

A Performance Bond may be claimed by the Corporation if the contractor:

- a) Fails to complete the work within the contractual timeline.
- b) Fails to meet quality, safety, or compliance standards.
- c) Defaults on the contract due to financial insolvency, abandonment, or other issues.

18.3.2.3 Release of Performance Bond

The Corporation will release the bond upon:

- a) Successful completion of the project, as verified by the Corporation through a contract evaluation process.
- b) Submission of final inspections, approvals, and required documentation.
- c) If applicable, completion of the deficiency or warranty period specified in the contract.

18.3.3 Labour and Material Payment Bonds

Labour and Material Payment Bonds are required only if explicitly stated in the bid solicitation documents.

18.3.3.1 Requirements When Applicable:

- a) The Bond shall be 50% of the total contract value.
- b) It must be submitted as an original signed surety bond or an irrevocable letter of credit from a recognized Canadian financial institution.

- c) The Corporation may require a Statutory Declaration of Payment from the contractor before final payments are released, ensuring all subcontractors and suppliers have been compensated.

18.3.3.2 Claims and Protections

- a) If subcontractors or suppliers are unpaid, they may file a claim against the Labour and Material Bond within 90 days of last work performed or materials supplied.
- b) If subcontractors file a lien against the Corporation due to non-payment, the Corporation may enforce the Labour and Material Bond to clear the encumbrance.
- c) The Corporation reserves the right to withhold contractor payments until the lien is resolved.
- d) The Corporation is not liable for disputes between the contractor and its subcontractors but retains the right to withhold payments if non-payment issues arise.

18.3.4 Bond Submission and Surety Requirements

18.3.4.1 Bonds must be submitted as an original signed surety bond or an irrevocable letter of credit from a recognized Canadian financial institution.

18.3.4.2 The Corporation reserves the right to reject bonds from unlicensed or unrecognized sureties.

18.3.4.3 Bonds must be valid for the duration of the contract plus any warranty period as specified in the contract terms.

18.3.5 Surety Obligations

18.3.5.1 Surety providers must initiate an investigation within 10 business days of receiving a claim and provide a resolution plan within 30 days.

18.3.5.2 If the surety fails to act within the specified timeframes, the Corporation may pursue legal action to recover damages.

18.3.6 Alternative Security

18.3.6.1 The Corporation may waive bonding requirements at its discretion, particularly for:

- a) Low-risk contracts.
- b) Contracts with pre-qualified contractors.

18.3.6.2 Alternative Security may be accepted in lieu of a bond, such as:

- a) A cash deposit held in escrow.
- b) Any other financial guarantee approved by the Corporation.

18.3.6.3 Alternative security must be equal to the required bond amount and subject to the same release conditions as bonds.

18.4 All contracts above \$100,000 shall undergo a supplier performance review upon completion.

18.4.1 Procurement staff and Department Head will evaluate the supplier based on quality, timeliness, contract compliance, and customer service.

18.4.2 Unsatisfactory performance may result in a supplier warning, contract non-renewal, or disqualification from future bids for up to 3 years.

19 Access to Information

19.1 The disclosure of information received from suppliers in connection with a competitive bidding process or contract shall be made only by the appropriate officers in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, as amended, or as may otherwise be required by law.

19.2 Public reporting will not include summaries of bids, as this information will remain confidential. Any public disclosure of information shall be made by the Clerk in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, as amended.

20 Surplus Goods and Equipment

20.1 No asset shall be declared to be surplus if it can be used by any other Department, Board or commission of the Corporation.

- 20.2 The Council is the only Municipal body empowered to declare an asset as surplus and dispose of such asset.
- 20.3 All surplus assets will be disposed of to the best possible monetary advantage of the Corporation. These assets shall be disposed of at or near fair market value, as nearly as may be possible, and such value may be established with the aid of a qualified appraiser where deemed necessary.
- 20.4 No employee of the Corporation shall be allowed to bid on, purchase or otherwise acquire any surplus asset being disposed of by the Corporation except as noted in Section 20.6, unless approved by Council.
- 20.5 Surplus assets, that have a monetary value of \$1,000 (one thousand dollars) or more, shall be disposed of in the following manner:

20.5.1 Municipal Property (equipment, vehicles, materials)

By sealed public tender after due notice thereof has been given. Council shall cause notice to be given to the public of the proposed sale by way of 1 or more electronic method and 1 or more print method including the following:

- 20.5.1.1 Advertising in the Municipal Newsletter.
- 20.5.1.2 Advertising in the Ontario Gazette.
- 20.5.1.3 Any other means of communication, which is deemed, appropriate.

20.5.2 Real Property

- 20.5.2.1 As per the By-Law governing the sale of real property.

- 20.6 Surplus assets, that have a monetary value of \$999 (nine hundred and ninety-nine dollars) or less, shall be disposed of in the following manner:

- 20.6.1 The Supervisor in charge of the department shall complete a Request for Disposal of Capital Asset form (attached hereto as Schedule "A").
- 20.6.2 Any employee within that department shall have first option to purchase the surplus asset. If more than one employee in the department has requested to purchase the surplus asset, the successful purchaser shall be drawn by lot.
- 20.6.3 Should the surplus asset not be disposed of within the department, an employee or staff from another department may put his/her name forward

and shall be determined by lot.

- 20.6.4 If there are no purchasers as per Item (ii) and (iii), the surplus asset may be disposed of at the discretion of the Supervisor.

20.7 Buildings

- 20.7.1 An appraisal of each building by an authorized licensed appraiser may first be obtained. Council shall cause notice to be given to the public of the proposed sale and such notice shall include one or more of the following:

20.7.1.1 Advertising in the Municipal Newsletter; and

20.7.1.2 Other means of communication, which is deemed, appropriate by Council acting reasonable and in good faith in the circumstances.

- 20.7.2 Council may accept a lower price than the appraised value if no higher price is offered.

- 20.7.3 Council may establish such terms and conditions of sale of surplus assets, as it deems advisable or necessary.

- 20.7.4 Sealed tenders, proposals, and quotations shall be opened as soon as possible after the closing date and time as advertised.

- 20.7.5 Disposal of surplus assets shall be authorized by By-Law or Resolution passed at a regular meeting of Council.

- 20.7.6 The Council shall observe all procedures contained in the Municipal Act, relative to those public streets and lanes stopped up and offered for sale by the Corporation.

- 20.7.7 Any and all assets valued at less than \$1,000 (one thousand dollars) each may be disposed of at Council's discretion without adherence to the provisions of this By-Law. The appropriate Department Head shall estimate the value of assets.

- 20.7.8 In all instances of disposal of any asset, the "Request for Disposal of Capital Asset" Form shall be completed. The "Request for Disposal of Capital Asset" Form is attached hereto as Schedule "A" and forming a part of this By-Law.

21 General

No deviations from the approved Municipal Annual Budget shall be processed through these

policies and practices without a prior By-Law or Resolution of the Municipal Council, except in an emergency as provided for in this By-Law.

22 Schedules

- 22.1 The following schedules form part of this By-law:
- 22.2 Schedule "A" – Request for disposal of capital asset
- 22.3 Schedule "B" - Award Authority
- 22.4 Schedule "C" - Exclusions
- 22.5 Schedule "D" – Bid Irregularities
- 22.6 Schedule "E" - Purchase Order Procedure
- 22.7 Schedule "F" – Accounting Procedure



Schedule "A" to By-Law No. 29-2025

REQUEST FOR DISPOSAL OF CAPITAL ASSET

Date:

Department:

Asset Description:

Details:

Manufacturer:	Serial No:
Model:	Style:
Estimated Value: \$	

Method of Disposal:

Date of Disposal:

Approval Resolution No.:

Notes/Comments:

Employee – Option to Purchase

Employee Name(s):	
Sold to:	
Department Head Signature:	
<i>(subject to the provisions of Sections 20.4 & 20.6)</i>	

Signature – Department Head

Signature - Treasurer

*Distribution: Original - Master File Copy (1) - Department Head Copy (2) -
Accounting*

Approval Authority Schedule

Award Value	Procurement Method	Format/Process	Approval
\$0-\$1,000	Direct Purchase	1 or more informal quote(s) by email, website, catalogue, etc.	Informal quote ¹ Evaluated by <i>Dept Head</i> ² Approved by <i>Dept Head</i> ⁴ PO issued by <i>Procurement</i>
\$1,001-\$5,000	Written Quotation	2 or more written quotations	Written quotes ¹ Evaluated by <i>Procurement</i> ² Approved by <i>Treasurer</i> ³ Signing authority is <i>Dept Head</i> ⁴ PO issued by <i>Procurement</i>
\$5,001-\$30,000	Written Quotation	3 or more written quotations	Written quotes ¹ Evaluated by <i>Procurement</i> ² Approved by <i>Treasurer</i> ³ Signing authority is <i>CAO or Clerk</i> ⁴ PO issued by <i>Procurement</i>
\$30,001-\$50,000	Invitational Competition	RFQ or RFP issued to 3 or more suppliers OPTIONAL – public competition	RFQ ¹ Evaluated by <i>Committee</i> ² Approved by <i>Treasurer</i> ³ Signing authority is <i>CAO or Clerk</i> ⁴ Contract/PO issued by <i>Procurement</i>
\$50,001-\$100,000	Invitational Competition	RFQ or RFP issued to 3 or more suppliers OPTIONAL – public competition	RFQ ¹ Evaluated by <i>Committee</i> ² Approved by <i>Treasurer</i> ³ Signing authority is <i>Council (mtg)</i> ⁴ Contract/PO issued by <i>Procurement</i>
Optional \$30,001+ Mandatory \$100,001+	Public Competition	RFP or RFT must be publicly advertised on 1 or more e-tendering system accessible by all Canadian suppliers: <i>MERX, Biddingo, etc</i> Good practice to also post on: <i>Municipal website</i> <i>Municipal newsletter</i>	RFP ¹ Evaluated by <i>Committee</i> ² Approval recommended by <i>Committee & Treasurer</i> ³ Final approval by <i>Council (mtg)</i> ⁴ Signing authority is <i>Mayor or Clerk</i> ⁵ Contract issued by <i>Procurement</i>
SINGLE SOURCE OR SOLE SOURCE			
\$5,001-\$50,000	Single Source or Sole Source	Direct negotiation of contract with single or sole source supplier	¹ Single/sole source justification prepared by <i>Procurement & Dept Head</i> ² Approved by <i>Treasurer</i> ³ Signing authority is <i>CAO or Clerk</i> ⁴ Contract/PO issued by <i>Procurement</i>

\$50,001+	Single Source or Sole Source	Direct negotiation of contract with single or sole source supplier	¹ Single/sole source justification prepared by <i>Procurement & Dept Head</i> ² Approved by <i>Council (mtg)</i> ³ Signing authority is <i>Mayor or Clerk</i> ⁴ Contract/PO issued by <i>Procurement</i>
EMERGENCY PURCHASE			
Any value	Process at the discretion of the Department Head & CAO		¹ Evaluated by <i>Dept Head</i> ² w/ approval of <i>CAO & Treasurer</i> ³ Signing authority is <i>CAO or Clerk</i> ⁴ PO issued by <i>Procurement</i> ⁵ Must report to Council as soon as practicable

Notes:

1. All items that are overbudget or not budgeted, regardless of value, must be approved by the Treasurer.
2. Evaluation refers to assessing quotations to determine whether they meet the required specifications, quality, pricing and compliance with procurement policies.
3. Approval refers to the formal authorization process to proceed with a procurement decision.
4. Signing Authority refers to the power to legally execute contracts or agreements on behalf of the purchasing organization after approval.

Exceptions & Exclusions

- 1 The purchasing methods and processes described in this policy do not apply to the acquisition of the following goods and services. However, in some cases, the Corporation may wish to follow the policy to procure these services for transparency, budget control, or strategic sourcing.

Even though these acquisitions are excluded from competitive procurement requirements, they remain subject to financial oversight, approval thresholds, and proper documentation to ensure accountability.

Approval set out in Schedule 'B' – Approval Authority must be obtained for all excluded and excepted items before processing payment or entering into financial commitments.

- 2 Exclusions

Excluded items are completely outside the scope of the procurement policy and do not require a purchase requisition or purchase order to the supplier. Departments must ensure that expenses are approved by the appropriate financial authority per Schedule 'B' and are tracked for budget control.

- 2.1 Refundable Employee/Council Expenses

- 2.1.1 Advances

- 2.1.2 Meal allowances

- 2.1.3 Travel

- 2.1.4 Per Diem payouts

- 2.2 Employer's General Expenses

- 2.2.1 Payroll deduction remittances

- 2.2.2 Employee benefits

- 2.2.3 Licenses (vehicle, firearm, professional, etc.)

- 2.2.4 Debenture payments

- 2.2.5 Grants to agencies

- 2.2.6 Damage claims

- 2.2.7 Tax remittances
- 2.3 Employment Contracts
- 2.4 Professional and Special Services
 - 2.4.1 Committee Fees
 - 2.4.2 Financial Services
 - 2.4.3 Health or Social Services
 - 2.4.4 Insurance Costs
 - 2.4.5 Legal fees and other professional services related to litigation or legal matters
 - 2.4.6 Realty services regarding lease, acquisition, demolition, sale, disposal or appraisal of real property
 - 2.4.7 Telecommunications
 - 2.4.8 Utilities
- 2.5 Bailiff collection agencies
- 2.6 Purchases from other government agencies

3 Exceptions

Exceptions are items that still require a purchase order but are exempt from standard procurement methods (eg. multiple quotes, competitive bidding, etc.). However, they remain subject to financial oversight and budget approvals as per Schedule 'B' – Approval Authority.

- 3.1 For Exceptions exceeding \$30,001, the Procurement department may conduct a cost analysis or seek alternative vendor options where feasible.
- 3.2 Training and Education
 - 3.2.1 Registration and tuition fees for conferences, conventions, courses, seminars, workshops, trade shows
 - 3.2.2 Magazines, books, and periodicals
 - 3.2.3 Memberships

- 3.3 Refundable Employee/Council Expenses
 - 3.3.1 Entertainment
 - 3.3.2 Miscellaneous – non travel
- 3.4 Professional and Special Services
 - 3.4.1 Advertising Services
 - 3.4.2 Auditing fees
 - 3.4.3 Hardware and software licensing and support services
 - 3.4.4 Veterinary expenses
 - 3.4.5 Road construction design services
 - 3.4.6 Works of art and performance artists
- 3.5 Goods for the purpose of commercial sale or re-sale by the Corporation, including retail operations.

Schedule "D" to By-Law No. 29-2025
Bid Irregularities

Item	Description	Major Irregularity	Minor Irregularity	Action
1	Late bid submission (by any amount of time)	X		Automatic Rejection
2	Bid completed in pencil	X		Automatic Rejection
3	Insufficient financial security (no bid security, agreement to bond, insufficient bid bond or agreement to bond)	X		Automatic Rejection
4	Bid forms not signed or signed in an erasable medium or containing correction fluid	X		Automatic Rejection
5	All Addendum(s) not acknowledged (if issued)		X	48 hours to correct and initial changes
6	Proper response envelope or label not used/Envelope does not indicate project name		X	Acceptable if received on time
7	All required sections of bid documents not completed	X or	X	Automatic Rejection unless the incomplete nature is trivial or insignificant and the Corporation's discretion
8	Bidders not attending mandatory site meeting (if required)	X		Automatic Rejection
9	Unsealed Tender Envelopes	X		Automatic Rejection
10	Pricing or signature pages missing	X		Automatic Rejection
11	Bid received on documents other than those provided in request	X		Automatic Rejection
12	EXECUTION OF BID DOCUMENT: a) Proof of authority to bind is missing b) Surety Company not licensed in Ontario c) Corporate Seal or equivalent proof of authority to bond missing	X		Automatic Rejection

13	Bids containing minor clerical errors		X	48 hours to correct initial errors. The Corporation reserves the right to waive initialing and accept bid.
14	Uninitialed changes to the request documents which are minor (ie. The bidder's address is amended by overwriting but not initialed)		X	48 hours to initial. The Corporation reserves the right to waive initialing and accept bid.
15	Alternate items bid in whole or in part		X	Available for further consideration unless specified otherwise in request.
16	Unit prices in the schedule of prices have been changed but not initialed		X	48 hours to correct initial errors. The Corporation reserves the right to waive initialing and accept bid.
17	Other mathematical errors which are not consistent with the unit price		X	48 hours to correct initial errors. Unit prices will govern.
18	Pages requiring completion of information by vendor are missing	X		Automatic Rejection
19	Bid documents which suggest that the bidder has made a major mistake in calculations or bid			Consultation with a Solicitor on a case-by-case basis and referenced within the staff report if applicable

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

Purchase Order Procedure

1 Purpose

The purpose of this procedure is to ensure that all purchase orders (POs) are issued in accordance with the Corporation’s Procurement By-Law, providing a clear, consistent, and transparent process for procuring goods and services while maintaining fiscal responsibility and compliance with all legislative and regulatory requirements.

- 1.1 All purchase requests going through the Procurement Department must be initiated by the Department Head and submitted to Procurement for review and processing.
- 1.2 Department Heads are responsible for ensuring the purchase request includes complete and accurate information, including scope, budget confirmation, and any necessary supporting documentation.

2 The Procurement department is responsible for:

- 2.1 Reviewing and validating purchase requests for compliance with the Procurement By-Law
- 2.2 Conducting procurement activities in accordance with the approved purchasing thresholds and competitive processes
- 2.3 Issuing Purchase Orders (POs) to the selected vendor upon completion of the procurement process

3 Issuance of Purchase Orders

3.1 The Purchase Order must contain the following:

- 3.1.1 Supplier’s legal name and address
- 3.1.2 Detailed description and quantity of goods/services
- 3.1.3 Unit price (actual, if available, or estimated, if pending confirmation)
- 3.1.4 Shipping cost with shipping method and incoterms detailed
- 3.1.5 Total dollar amount in Canadian funds, excluding and itemizing applicable taxes separately
- 3.1.6 Date of Purchase Order issuance and expected delivery date
- 3.1.7 Payment terms
- 3.1.8 References to any applicable contracts, quotations or specific terms and conditions

- 3.2 Procurement will issue a Purchase Order once the procurement process is complete and approved.
- 3.3 Copies of the completed Purchase Order shall be distributed as follows:
 - 3.3.1 **Vendor/Supplier:** Copy 1
 - 3.3.2 **Issuing Department:** Copy 2
 - 3.3.3 **Procurement:** Copy 3
 - 3.3.4 **Accounts Payable:** Original with all associated information
- 3.4 The Procurement department is responsible for:
 - 3.4.1 Maintaining a centralized record of all outstanding and closed Purchase Orders
 - 3.4.2 Ensuring that all Purchase Orders comply with the Corporation's procurement policies and procedures
 - 3.4.3 Reconciling all purchase order records as part of the procurement tracking process
- 3.5 A record of all Purchase Orders issued must be maintained and include:
 - 3.5.1 Date of issuance
 - 3.5.2 Supplier's name
 - 3.5.3 PO Number
 - 3.5.4 Requestor's name and department
 - 3.5.5 Authorization/approval details
 - 3.5.6 Record of closure

4 Compliance and Reporting

- 4.1 All POs must adhere to the Corporation's Procurement By-Law, including obtaining competitive quotes or engaging in formal procurement processes for purchases exceeding the thresholds outlined in Schedule B.
- 4.2 Any non-compliance with procurement procedures must be reported to the Treasurer and CAO. If necessary, corrective measures will be taken to ensure alignment with policy requirements.
- 4.3 Purchase Orders exceeding \$100,000 must follow the Public Competition process, including issuing an RFP or RFT in compliance with applicable trade agreements and legislation.

- 4.4 Any amendments to issued Purchase Orders (e.g. Quantity changes, price adjustments) must be documented and approved at the same authorization level as the original PO.
 - 4.5 Emergency purchases must comply with the Emergency Procurement process as outlined in the Procurement By-Law (Section 11) and must be approved by the Department Head and CAO, with a report submitted to Council.
- 5 Audit and Review
- 5.1 The Treasurer and Procurement department will review Purchase Order processes at least annually and no less than each council term, to ensure continued compliance and efficiency.
 - 5.2 Random audits of Purchase orders may be conducted to verify proper authorization, documentation, and compliance with procurement policies.



Schedule "F" to By-Law No. 29-2025

Accounting Procedures

- 1 Upon receiving the original Purchase Order, Accounts Payable will file it based on the expected length of time outstanding:
 - 1.1 Current: 30-45 days
 - 1.2 Blanket Purchase Orders: 45-60 days
- 2 If a purchase order remains outstanding for more than 45 days without receiving the corresponding invoice or documentation, Accounts Payable will send a formal status request to the Procurement department
- 3 If after 60 days, the Purchase Order remains outstanding with no response from the Procurement department, Accounts Payable will cancel the Purchase Order and notify all relevant parties, including the initiating department
- 4 Blanket Purchase Orders must be retained on file by Accounts Payable
 - 4.1 The Purchase Order number must be noted on each invoice received from the supplier
 - 4.2 The final invoice in the valid blanket purchase order period should be marked "Complete – Cancel Purchase Order _____" with the '_____' indicating the purchase order number
 - 4.3 All blanket purchase orders must be cancelled at the end of the calendar year or based on their specified terms, whichever occurs first
 - 4.4 Blanket Purchase Orders shall have a financial limit of \$3,000 including taxes