

THE CORPORATION OF THE TOWNSHIP OF PERTH EAST

BY-LAW NUMBER 56–2004

Being a by-law to adopt polices with respect to its procurement of goods and services and repeal By-law 52-2001

WHEREAS the Municipal Act, 2001, Part Vi, Section 271, as amended, states that a municipality and a local board shall adopt policies with respect to its procurement of goods and services;;

AND WHEREAS the Council of The Corporation of the Township of Perth East deems it is desirable and necessary to establish policies with respect to its procurement of goods and services for the benefit of the Corporation;

NOW THEREFORE THE COUNCIL OF THE TOWNSHIP OF PERTH EAST ENACTS AS FOLLOWS:

1.0 OVERALL PURCHASING PRINCIPLES:

- 1.1 The Council of The Corporation of the Township of Perth East sets the policies and principles for the procurement of all goods and services necessary to provide the programs and services of the municipality. Council attempts to strike a balance between public accountability, competition, quality and innovation. To that end, the purchasing policy of The Corporation of the Township of Perth East is:
- a) Consistent with the municipality's obligations to supply a varying array of goods and services to the constituents of The Corporation of the Township of Perth East.
 - b) Based on "best value" decision making which includes total acquisition cost when purchasing goods and services.
 - c) A fair and open process that satisfies operational requirements.
 - d) Accountable to the public.
 - e) A tool to promote innovation in purchasing and acquisition whether it be through partnerships, purchasing co-operatives, joint contracts or any other mechanism that best meets the interests of the municipality while maintaining the integrity of the principles and practices set out in this policy.
 - f) The responsibility of the Chief Administrative Officer who shall ensure the principles and objectives of the purchasing policy are adhered to.

2.0 PURCHASING POLICY OBJECTIVES:

- 2.1 The objectives of this policy are to establish and maintain a high level of confidence in the purchasing process by ensuring the Township of Perth East's procurement of goods and services is carried out in an open, fair, consistent, efficient and competitive manner. The Township of Perth East is committed to:
- a) Making all acquisition decisions for goods and services required to provide Township services and programs based on total acquisition costs which shall be the most favourable terms attainable based on product quality, quantity, life cycle costs and purchase price from suppliers who meet the Township's requirements for quality, warranty and delivery.
 - b) Ensuring the Township's requirements for goods, services, construction and facilities are met through an open and fair process that provides the highest possible degree of competition and value to the Township.
 - c) Ensuring when and where appropriate, environmental consideration is given to the purchases made by the Township.
 - d) Ensuring purchasing decisions are free of any form of persuasion or influence from vendors towards Township councillors, officials, employees or agents of the Township.
 - e) Ensuring when purchasing decisions are made, they are free of any conflict of interest between a potential supplier(s) and any member of Council, officials or employees and members of their immediate families.
 - f) All other things being equal, the Township will seek to purchase Canadian goods and Canadian services from local, provincial or national sources, in that order.

3.0 DEFINITIONS:

- 3.1 *Annual budgets* - means the budgets as adopted by Council of all sums required during the year for the purposes of the Corporation.
- 3.2 *Chief Administrative Officer, CAO*, – means the Chief Administrative Officer of The Corporation of the Township of Perth East.
- 3.3 *Clerk* – means the Clerk of The Corporation of the Township of Perth East.
- 3.4 *Completion Certificate* - means a Contract Payment Certificate issued on completion of the work under a contract.
- 3.5 *Concession* - means an exclusive right to undertake and profit by a specified activity such as the operation of a refreshment stand.
- 3.6 *Contract Payment Certificate* - means a statement signed by the Head of a Department or his/her designate as to the value of the work done under a contract to the Corporation and of the amount due to the contractor. Contract Payment Certificates are issued only upon receipt of a Completion Certificate.
- 3.7 *Corporation* – means The Corporation of the Township of Perth East.
- 3.8 *Council* - means the elected Council of the Township of Perth East.
- 3.9 *Department Head* – means the manager appointed by Council as head of the department and such person responsible for the annual operations and capital budgets for their respective department.
- 3.10 *Final Certificate* - means a Contract Payment Certificate authorizing release in whole or in part of a holdback.
- 3.11 *Goods* – means commodities to be purchased to meet Township requirements and includes supplies, materials or equipment of every kind.
- 3.12 *Life Cycle Costs* – means all costs associated with the normal life span of the goods or services being acquired and includes but not limited to: service, repair, service contracts, maintenance, operational costs such as fuel, energy requirements, and replacement of major components necessary through normal use.
- 3.13 *Negotiated Purchase* – means purchase price agreed to between the Township and a supplier.
- 3.14 *Purchase Order* - means a written offer to purchase goods and services.
- 3.15 *Purchase Price* – means price to purchase including taxes, delivery charges, and other incidental costs that may apply.
- 3.16 *Purchasing and Tendering Procedures* - means the procedures established by this policy or others adopted by the Council of the Township of Perth East.
- 3.17 *Quotation* - means a written offer obtained from a selected person or firm to supply goods or services or a concession at a particular price or rate to the Township.
- 3.18 *Proposal Call* – means a proposal offering a solution submitted in response to a specifically defined problem, requirement or service.
- 3.19 *Services* – means performance or delivery of functions or tasks, and includes labour and other charges for repairs, maintenance, rentals, telephone and other types of services of a similar nature.
- 3.20 *Tender* - means a written offer provided to the Township for the supply of specified goods or services in response to a public advertisement or invitation.
- 3.21 *Total Acquisition Cost* – means the total cost to acquire any goods or services required, including the life cycle costs, warranty, delivery, taxes, import fees or tariffs, etc.
- 3.22 *Treasurer* – means the Treasurer of The Corporation of the Township of Perth East.
- 3.23 *Township* - means The Corporation of the Township of Perth East.

4.0 DELEGATION:

- 4.1 Except as otherwise authorized by Council, no expenditure shall be incurred without the approval of Council. Approval is deemed granted if the purchase is included in the approved budgets of the Department and the total purchase price does not exceed \$19,999.99.
- 4.2 In accordance with the purchasing policies approved by Council, the Chief Administrative Officer directs the control of all civic purchasing to a maximum of \$19,999.99.
 - 4.2.1 The CAO may, for and in the name of the Corporation, enter into any contract of routine occurrence involving any single expenditure that is not greater than \$19,999.99 for which provision has been made in the budgets for the current year.
 - 4.2.2 The CAO is responsible to authorize expense claims of Department Heads prior to reimbursement according to policies as approved by Council from time to time.
- 4.3 In accordance with the purchasing policies approved by Council, Department Heads direct the purchase of goods, services, materials and supplies necessary to conduct programs and services as provided for in the department's approved annual budget for any single expenditure in which the total purchase price does not exceed \$9,999.99.
 - 4.3.1 Department Heads will seek approval and direction from the CAO for any purchase greater than \$9,999.99 and less than \$19,999.99.
 - 4.3.2 Department Heads are responsible to authorize time sheets and expense claims of employees prior to payment of wages, salaries and expenses as approved by Council, from time to time.

5.0 PURCHASING METHODS:

In every instance, methods of purchasing shall observe the principles and objectives of this and any other purchasing policy adopted by the Council of the Township of Perth East.

For a purchasing process to be considered valid, at least two (2) responses from suppliers for quotations, invitational or public requests for proposals, or invitational or public Tenders, are necessary. In the event less than two (2) responses are received, it is at the discretion of the CAO or Council whether another purchasing method will be utilized or the purchasing process will begin again.

5.1 NEGOTIATED PURCHASES:

- 5.1.1 Purchases up to \$19,999.99 may be negotiated if in the opinion of the CAO, any one of the following conditions are applicable:
 - 5.1.1.1 Total purchase price is less than \$1,000.00.
 - 5.1.1.2 Market conditions reflect that required services or supplies are limited.
 - 5.1.1.3 Delivery time is critical.
 - 5.1.1.4 When there is only one source for the required supply or service.
 - 5.1.1.5 When two or more quotes are identical.
 - 5.1.1.6 When quotations received fail to comply with the requirements specified and it is impractical to request further quotes.
 - 5.1.1.7 When the extension of an existing contract or service would prove more cost effective or beneficial.

5.2 QUOTATIONS:

- 5.2.1 Quotations – Quotations are used when purchasing materials, supplies or services or supplies necessary for the ongoing operation of the municipality. In instances where the total purchase price is between \$1,000.00 and \$19,999.99, Quotations are to be broken down to show the purchase price for each item requested and taxes. When requested, Quotations must include unit cost per item or hour, cost of all of like items or cost per hour for total service. When and where appropriate, Quotations will also provide delivery costs, travel fees, warranty charges, servicing fees, and recommended maintenance schedules.

5.3 PROPOSAL CALLS:

Proposals are used when a solution to a problem, requirement or objective in the Township is desired or needed. Proposal calls may be issued by invitation or by public advertisement in at least one (1) newspaper local to the Township.

- 5.3.1 Proposal calls will include:
 - 5.3.1.1 a definition of the problem, or define the requirement or objective sought;
 - 5.3.1.2 time frame in which resolution is anticipated;
 - 5.3.1.3 deadline for submissions;
 - 5.3.1.4 when appropriate, Township resources that will be used to assist in achieving resolution;
 - 5.3.1.5 when appropriate, will provide a budget range for the project/process; and
 - 5.3.1.6 name of Department Head and method for collection of additional information pertinent to the proposal call.

- 5.3.2 Proposal submissions to the Township will include:
 - 5.3.2.1 solution proposed to address the defined problem, requirement or objective;
 - 5.3.2.2 a list of references from similar projects and vitae for each participant in the project;
 - 5.3.2.3 itemized assumptions made regarding the Township resources to be utilized;
 - 5.3.2.4 meetings required;
 - 5.3.2.5 hourly rates;
 - 5.3.2.6 travel expenses;
 - 5.3.2.7 sundry expenses individually itemized;
 - 5.3.2.8 other costs that may be attributed to the proposal being considered;
 - 5.3.2.9 all applicable taxes; and
 - 5.3.2.10 total cost to meet solution proposed.

- 5.3.3 Proposal submissions will be evaluated based on the effectiveness, value, price of the proposed solution and the bidder's ability to deliver the proposed solution in the time frames established.

5.4 TENDERS:

Tenders may be used for any purchase greater than \$1,000.00. Tenders are required for purchases equal to or greater than \$20,000.00 and will be awarded by Council. All Tenders, whether public or by invitation, are to have clearly stated criteria and specifications, defined quality and servicing standards. All Tender requirements are to be clearly stated, including whether performance bonds, deposits or proof of insurance coverage is necessary at time of submission. The submission date, time and location shall be stated in the Tender call. Also required in the Tender call, if applicable and appropriate, are notices respecting the need to complete or provide the Tender on specified forms, whether there is a fee for the Tender documents or who to contact in the event additional information is required.

- 5.4.1 Public Tenders will be by advertisement in at least one (1) newspaper local to the municipality. Tenders will be advertised at least ten (10) working days prior to submission date.

- 5.4.2 Tenders may be by invitation, provided at least three (3) invitations are issued. Bidders will receive written notification at least ten (10) working days prior to submission deadline.
 - 5.4.2.1 Tenders by invitation may be issued if:
 - 5.4.2.1.1 the product, service, project or process being tendered is of a highly specialized nature or the work to be done is of a confidential nature.

 - 5.4.2.2 Tender submissions to the Township are to:
 - 5.4.2.2.1 be in a sealed envelope and submitted on the forms supplied by the municipality;

- 5.4.2.2.2 be submitted in the manner required by the municipality, including signed and sealed, proof of Workers' Compensation coverage and performance bonds or deposits, proof of insurance coverage, etc.;
- 5.4.2.2.3 include the unit cost or hourly rate;
- 5.4.2.2.4 include the total cost of like items or total cost for hours required to complete task;
- 5.4.2.2.5 include the delivery charges;
- 5.4.2.2.6 include travel expenses;
- 5.4.2.2.7 itemize other sundry expenses;
- 5.4.2.2.8 include all applicable taxes; and
- 5.4.2.2.9 total cost of the Tender.

5.4.2.3 Tenders will be submitted by the bidders to the Office of the Clerk where the Tenders will be stamped with the date and time received and initialed by the staff member accepting the Tender. Any Tender received after the appointed time and date will be stamped with the date and time, and returned unopened to the bidder with a letter of explanation.

5.4.2.4 Tenders may be rejected due to:

- 5.4.2.4.1 not meeting any requirement listed in the tender documents.
- 5.4.2.4.2 too high based on estimates.
- 5.4.2.4.3 too low based on estimates.
- 5.4.2.4.4 being submitted too late.
- 5.4.2.4.5 being illegible or incomprehensible.
- 5.4.2.4.6 not signed or sealed.
- 5.4.2.4.7 the bidder being ineligible.
- 5.4.2.4.8 the work not being completed as proposed in the Tender documents, in the opinion of the Department Head.

5.4.2.5 Public Tenders will be opened at the appointed time in the presence of any member of the public in attendance for the opening, the Department Head and the Clerk. Tenders estimated to be in excess of \$50,000.00 require the attendance of the Treasurer or Deputy Treasurer.

5.4.2.6 Invitational Tenders will be opened in the presence of the bidders in attendance, the Department Head, the Clerk and the Treasurer or Deputy Treasurer.

5.4.3 Tenders will be evaluated against clearly stated criteria and specifications, quality, servicing and the bidders capacity to meet the stated criteria and specifications.

5.5 PHASED AQUISITION PROCESS:

5.5.1 The Township may consider a phased process for acquisition or service provision if:

- 5.5.1.1 detailed specifications are not available or it is impractical to prepare specifications based on price.
- 5.5.1.2 the project is of a significant nature and is a long term project.
- 5.5.1.3 the project may be broken into various project phases.

5.5.2 The phased process may take a number of forms. Expressions of Interest can be requested and evaluated, and upon completion of the evaluation, successful candidates can be asked to submit a proposal. Request for proposals can be reviewed and evaluated after which there is a Tender process. Phased purchasing and the process used will depend on the complexity and requirements of the municipality at the time requisitions are being considered. Phased acquisitions will require the approval of Council.

5.6 SINGLE FIRM PROCUREMENT:

5.6.1 Where there is only a single source for providing parts, service, or equipment, such purchases can be made provided the CAO is satisfied that no other source is available or that acquisition from other sources is neither practical nor cost effective, provided the total purchase price is \$19,999.99 or less.

- 5.6.2 Where there is only a single source for providing parts, service, or equipment, such purchases can be made, provided the total purchase price is greater than \$19,999.99, and the CAO recommends it, and Council approves the purchases.

5.7 ALTERNATIVE PURCHASING METHODS:

Purchasing through co-operatives, joint ventures, joint contracts and other such ventures are encouraged and may be used, if in the opinion of the CAO and when endorsed by Council, such purchases ensure procurement of supplies and services that meet the principles and objectives of this policy.

6.0 PURCHASING PROCESS:

6.1 AUTHORIZATION:

- 6.1.1 No contract shall be entered into and no expenditure shall be authorized or incurred unless Council has provided funds for such purpose in the annual budgets or agreed to the provision of such funds.
- 6.1.2 No expenditure shall be authorized or incurred in excess of the funds provided unless recommended by the CAO and the Department Head, and expressly authorized by Council.
- 6.1.3 Funds provided in the annual budgets for one purpose shall not be expended for any other purpose unless authorized by Council.
- 6.1.4 Unless otherwise authorized by Council, all purchases of goods or services, rentals of equipment or lands, and all construction of works, shall be authorized as set out in Sections 6.1 through 6.5 inclusive.
- 6.1.4.1 The Department Head shall authorize the purchase, construction, service or rental provided the total purchase cost is greater than \$0.01 and does not exceed \$9,999.99.
- 6.1.4.2 The CAO, upon receipt of a purchase order signed by the Department Head having obtained written Quotations, will also authorize the purchase, construction, service or rental for all purchases greater than \$9,999.99 and not more than \$19,999.99.
- 6.1.4.3 Council shall authorize all purchases equal to or greater than \$20,000.00.

6.2 CONTROL:

- 6.2.1 Total expenditures between \$0.01 and \$999.99 may be made without obtaining Quotations with requisite approval from the Department Head.
- 6.2.2 Total expenditures between \$1,000.00 and \$9,999.99 shall not be made without written Quotations having been obtained. Such Quotations shall be provided on the designated Request for Quotation form and shall be obtained in such a way as to provide clear, concise directions, including product specifications and criteria so that all parties quoting are ensured fair and equitable practice and treatment.
- 6.2.3 Total expenditures between \$1,000.00 and \$9,999.99 shall be considered authorized upon the issuance of a purchase order signed by the Department Head.
- 6.2.4 Total expenditures between \$10,000.00 and \$19,999.99 shall be considered authorized upon the issuance of a Purchase Order signed by the CAO and the Department Head.
- 6.2.5 Total expenditures of \$20,000.00 or more shall be authorized by Council following the calling for public Tenders and upon receipt of a report from the CAO and the respective Department Head.

- 6.2.5.1 Based on a written recommendation from the CAO and the Department Head, proving that no useful purpose or benefit to the municipality would be achieved through the public Tender process, as defined in this by-law, Council may permit the purchase of goods or services on the best possible terms. At the conclusion of the purchasing process, a report back to Council on the outcome of the purchase is required. The written recommendation shall include a statement that the goods or services are available either from only one source, or the circumstances indicate only one source, and are of a standard model and price, or the Township requirements in this instance are in some way unique.
- 6.2.6 Copies of all accepted Quotations and Tenders will be provided to the Finance Department for audit purposes. Original Quotation and Tender submissions are to be retained by the Department Head for a period of at least three (3) years.
- 6.2.7 In instances where the Township may consider an acquisition of any kind from a firm in which a councillor, official, employee or agent, or any one not having an arms length relationship to such person, has a financial interest, such interest shall be filed in writing with the CAO and such person shall not take part in any discussions or decision making regarding the acquisition.
- 6.3 Tenders or quotations will not be required for goods or services to be provided by any of the following:
 - 6.3.1 hydro electric utilities;
 - 6.3.2 public utilities companies; or
 - 6.3.3 Crown corporations.

6.4 EMERGENCIES:

In an emergency, which in the opinion of a Department Head constitutes an imminent danger to life or property, authorization for the purchase of services, work or goods may be given by the Mayor or CAO, where the estimated cost does not exceed \$50,000 but all such authorization shall be reported to Council at the following Council meeting by the Department Head responsible for the purchase of the services, work or goods.

- 6.4.1 Emergency purchases will have regard to the provisions of this policy and the purchasing procedures, and will be handled as swiftly and cost effectively as possible.

7.0 PAYMENT:

- 7.1 Except as otherwise provided, the Treasurer is authorized to pay all accounts for purchase, rentals or construction where such have been authorized, and where required certified and approved, according to Sections 4 and 6 inclusive.
- 7.2 Except as otherwise provided, the Treasurer is authorized to pay:
 - 7.2.1 Salaries, wages and honorariums in the amounts or at the rates approved by Council due to any person in the employ of the Corporation or to any person for whose salary, wages or honorarium the Corporation is responsible.
 - 7.2.2 Income Tax, Canada Pension Plan, Workers' Compensation, Employers' Health Tax, Employment Insurance, OMERS contributions, group life and health insurance, and other like benefits.
 - 7.2.3 Retirement allowances, vacation or overtime credits, payable on retirement or resignation due to any person previously in the employ of the Corporation.
 - 7.2.4 Fees or charges payable to the Federal or Provincial Governments or associated agencies.
 - 7.2.5 To members of Council when authorized by the Clerk:

- 7.2.5.1 Transportation allowances in accordance with the rates approved by Council.
- 7.2.5.2 Expenses incurred by members of Council in connection with their duties, in accordance with policies approved by Council.
- 7.2.5.3 Honorariums and allowances for members of Council as provided for in remuneration by-laws and in accordance with policies approved by Council.
- 7.2.6 To employees, when authorized by the respective Department Head:
 - 7.2.6.1 Expenses for or incidental to attendance at any convention, meeting, or seminar and for travel expenses, and travel allowances that are in accordance with policies approved by Council.
 - 7.2.6.2 Expenses incurred by staff in connection with their duties.
 - 7.2.6.3 Wages and salaries as provided for and approved by Council from time to time.
- 7.2.7 Payments required or authorized by by-law of the Corporation or by Statute where the amounts or rates are fixed by Statute or authorized by Council.
- 7.2.8 Rental payments of property, plant or equipment by the Corporation where the rental has been authorized.
- 7.2.9 Accounts for general operations expenses that are included in approved Department budgets.
- 7.2.10 An amount authorized by a Contract Payment Certificate where the total of all amounts so authorized with respect to any one contract does not exceed the total contract price.
- 7.2.11 Accounts for or in connection with the acquisition of real property, including Land Transfer Tax, Registry Office, Land Titles Office, legal conveyancing, and other fees and expenses where Council has approved the acquisition.
- 7.2.12 For any purchase of goods, services or work where Council has:
 - 7.2.12.1 authorized such purchase of goods, service or work;
 - 7.2.12.2 named the payee;
 - 7.2.12.3 set out the amount of money to be paid or the basis on which payment is to be made; and
 - 7.2.12.4 described the goods, service or work involved.
- 7.2.13 Principal or interest of debentures, loans or overdrafts, including foreign exchange.
- 7.2.14 Requisitions for money which the Corporation is by Law, required to pay to its local boards or other bodies on account of their approved annual budgets, including advances up to half of the previous year's approved budget, before such budgets are approved.
- 7.2.15 All accounts not included in Sections 7.2.7 through 7.2.14 inclusive, the prompt payment of which enables the Corporation to secure a discount or save the payment of interest.
- 7.3 The head of a Department may authorize, in writing, another member of staff, to give the certificates or approvals required by this by-law or any contract, and any such authorization shall be filed with the Treasurer and the CAO. The CAO shall advise Council of such authorizations during the budget deliberation process or at any time during the year if the authorizations are amended in any way.
- 7.4 No payment shall be made for work done under any contract until the work required under the contract or any portion of the contract has been fully executed by the contractor and received all required approvals, and until the contractor has provided any insurance policies, performance or other bond required by contract, and until all required payment certifications are filed with the Treasurer.

- 7.5 The Treasurer may prepare forms of the certificates and approvals referred to in this by-law which will be used by all members of Council, Heads of Departments, and other officers and employees.
- 7.6 Between the last regular meeting of Council in any year and the provision of interim appropriations in the next year, the Treasurer is authorized to pay the accounts of the ordinary business transactions of the Corporation that are required to be paid.
- 7.7 The Treasurer shall submit to the Council on a monthly basis in each year, a summary and analysis by program of the annual budgets that have been adopted, and the actual expenditures to date of that program.
- 7.8 The Treasurer will provide at the first meeting in December to the Council, an annual report on the status of reserve, reserve funds and trust funds transfers. For Council's consideration, the report will include recommendations for any transfers that may be amended from approved budget allocations.

8.0 OTHER CONSIDERATIONS:

8.1 SUPPLIER DISQUALIFICATION:

The Township may disqualify any supplier or bidder for failure to meet quality, service, project budget, or failure to meet specifications, requirements, after sales service and contract adherence.

8.1.1 Suppliers will be immediately disqualified when:

- 8.1.1.1 Convicted of a criminal offence attempting to obtain a contract or subcontract. Such conviction is an indication of lack of business integrity or honesty and seriously affects the supplier's responsibilities in performing a contract.
- 8.1.1.2 Serious breach of contract or terms of contract or unwillingness to perform a contract in accordance with the terms and conditions of the contract.
- 8.1.1.3 A record of unsatisfactory performance on one or more contracts in accordance with the terms and conditions, or in accordance of specifications or both.
- 8.1.1.4 Gratuities are offered to any councillor, official or employee of the Township.

8.1.2 Suppliers will be notified in writing of potential disqualification and accorded a reasonable opportunity to respond. If response is not obtained or in the event the response is deemed inadequate, the supplier will be placed on the disqualification list. Disqualification lists and documentation on suppliers disqualified will be maintained by the Finance Department. Such disqualification will mean submissions from any disqualified supplier are not considered for a period of three years.

8.2 SUPPLIERS OR SUCCESSFUL BIDDERS:

- 8.2.1 Are required to maintain confidentiality with respect to any and all work conducted for or on behalf of the Township. Suppliers or successful bidders will direct any and all queries pertaining to Township business or activities to the Township.
- 8.2.2 Are required to ensure strict compliance with any and all applicable Federal and Provincial Legislation, including Worker's Safety Insurance Board coverage, the Occupational Health and Safety Act, environmental standards and requirements for the supply and transportation of materials and supplies, including: the Transportation of Dangerous Goods Act, the Hazardous Products Act, and Provincial Legislation regarding WHMIS for hazardous products. Failure to do so will result in the disqualification of the supplier.
- 8.2.3 Material Safety Data Sheets and appropriate labels must accompany all hazardous products defined under the Federal Hazardous Products Act and the Provincial WHMIS Legislation.
- 8.2.4 All suppliers and contractors to the Township will comply with applicable Federal and Provincial Legislation. All costs associated with compliance will be borne by contractors and suppliers.

8.3 TOWNSHIP PURCHASING OBLIGATIONS:

- 8.3.1 At no time is the Township of Perth East obligated to accept the lowest or any price for goods or services that may be provided to the Township, either verbally or in writing.
- 8.3.2 All conflicts of interest between potential suppliers and any member of council, officials, or employees are to be reported in writing to the CAO who shall ensure compliance with conflict of interest policies and procedures.
- 8.3.3 The Township of Perth East will initiate an equipment operator's bidders list by requesting an equipment list from equipment operators utilized in the previous three years. Operators will be asked to provide a list of each piece of equipment and the current hourly charge out rates for each piece of equipment. The Township will then utilize the list when inviting equipment operators to submit Quotations or Tenders for various projects or work. The list will be updated annually by the Department of Public Works.
- 8.3.4 The individual departments will maintain suppliers lists, with generic corporate supply lists maintained by the Finance Department.
- 8.3.5 The Finance Department will maintain the list of ineligible bidders or suppliers.

8.4 PURCHASING PROCESS REVIEW

- 8.1 The CAO and/or Treasurer may randomly review departmental purchasing related files on an on-going basis to review the effectiveness and integrity of the processes and policy adherence.

9.0 ENACTMENT:

- 9.1 By-laws of the former municipalities now comprising the Township of Perth East, which are inconsistent with this by-law, shall hereby be repealed.
- 9.2 That By-law 52-2001 be hereby repealed.
- 9.2 This by-law shall come into force and effect upon final passage.

READ A FIRST AND SECOND TIME THIS 20th DAY OF DECEMBER, 2004.

READ A THIRD AND FINAL TIME THIS 20th DAY OF DECEMBER, 2004.

Ria Colquhoun, C.A.O./Deputy Clerk

Robert J. McTavish, Mayor

THE CORPORATION OF THE TOWNSHIP OF PERTH EAST

BY-LAW NUMBER 08-2008

**Being a by-law to adopt polices with respect to its procurement of goods and services
and amend By-law 56-2004**

WHEREAS the Municipal Act, 2001, Part Vi, Section 271, as amended, states that a municipality and a local board shall adopt policies with respect to its procurement of goods and services;

AND WHEREAS the Council of The Corporation of the Township of Perth East deems it is desirable and necessary to amend By-law 56-2004 to include clarification regarding supplier disqualification and pending litigation for the benefit of the Corporation;

NOW THEREFORE THE COUNCIL OF THE TOWNSHIP OF PERTH EAST ENACTS AS FOLLOWS:

1. That By-law 56-2004, Section 3.24 Definition for "Pending Litigation" be amended by adding the following:

3.24 "pending litigation" occurs when a claim for money or other relief, that includes a threat of legal proceedings, has been made in writing by either the person or the Township as against the other but no formal proceedings have been commences."

2. That By-law 56-2004, Section 8.1 SUPPLIER DISQUALIFICATION be amended by adding the following:

8.1.3 The Township shall not open and consider any bid, proposal, quotation or otherwise acquire any goods or services from a person, supplier, contractor, firm, or any bidder with whom the Township is in litigation or pending litigation unless approval allowing such is obtained by the person from Council prior to the close of the bid call or the acquisition of the goods or services.

READ A FIRST AND SECOND TIME THIS 5th DAY OF FEBRUARY, 2008

READ A THIRD AND FINAL TIME THIS 5th DAY OF FEBRUARY, 2008

Kerri Ann O'Rourke, Municipal Clerk

Ian Forrest, Mayor