

**THE CORPORATION OF THE TOWN OF GREATER NAPANEE
BY-LAW NO. 2025-0084**

A By-law to Define Procurement Policies and Procedures for the Corporation of the Town of Greater Napanee and to Repeal and Replace By-law 2021-0046

WHEREAS the *Municipal Act 2001*, S.O., Section 270 requires all municipalities and local boards to adopt and maintain a policy concerning the procurement of goods and services;

AND WHEREAS the Council of the Corporation of the Town of Greater Napanee is committed to ensuring its procurement decisions are fair, open and transparent;

AND WHEREAS purchases made by the Town of Greater Napanee should reflect best value for the taxpayer, protect the Corporation's financial interests, and encourage competitive bidding;

AND WHEREAS the Corporation of the Town of Greater Napanee must be prepared to manage extraordinary circumstances from time to time, and that such circumstances may require immediate procurement decisions that are necessary to prevent or alleviate serious delay, a threat to public health, safety or welfare, the disruption of essential services or damage to public property or to respond to any emergency of the Corporation or as required under the provincial *Emergency Management and Civil Protection Act* (as amended);

AND WHEREAS effective planning, monitoring and control of public sector procurement are essential for maintaining public trust and confidence;

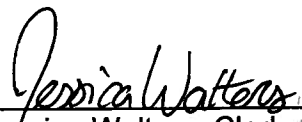
AND WHEREAS by way of Resolution #472/25 made November 10, 2025 Council has directed that the Procurement By-law for the Town of Greater Napanee be repealed and replaced, and public notice of Council's intention to do so has been issued;

NOW THEREFORE the Council of The Corporation of the Town of Greater Napanee hereby enacts as follows:

1. That the Procurement By-law for the Town of Greater Napanee be hereby adopted as set out in Schedule 'A' attached hereto and forming part of this by-law.
2. That By-law 2021-0046 and any other by-laws, policies or resolutions conflicting with this by-law are hereby repealed.
3. That this by-law shall come into force and take effect on January 1, 2026.

Read a first and second time and finally passed the 9th day of December, 2025.



Terry Richardson, Mayor

Jessica Walters, Clerk

By signing this by-law on 10 Dec 2025, I Mayor Richardson confirm that I will not exercise the power to veto this by-law and the by-law is deemed approved.

**The Corporation of the Town of Greater Napanee – Procurement By-law
Schedule “A” to By-law No. 2025-0084**

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Section 1: Purpose and Principles

1.1 Purpose

This By-law is intended to:

- (a) Express the Town's principles and objectives in relation to its procurement program.
- (b) Describe the roles, responsibilities and authorities of the Town's employees, officers and elected officials in carrying out the Town's procurement operations.
- (c) Authorize the Treasurer or designate to implement detailed procurement procedures and protocols that are consistent with the intent of this By-law and, to supplement and amend those procedures and protocols as and when deemed necessary, to meet the present and future needs of the Town; and
- (d) Comply with the requirements of Section 270(1) of the *Municipal Act*, S.O., 2001, c 25 as amended from time to time.

1.2 Principles

Procurement is the process by which the Town acquires goods, services and construction. Effective procurement is a critical support function for local governments as they responsibly manage public funds. The objective of this By-law is to ensure that the Town conducts procurement processes that conform to the following principles:

- (a) Compliance with all applicable laws, regulations, by-laws, policies and trade treaties as further set out in Appendix 1 to this By-law;
- (b) Consistency with other Town by-laws, policies and procedures;
- (c) Open, fair and transparent procurement that affords equal access to all qualified suppliers;
- (d) Reciprocal non-discrimination and geographic neutrality with respect to Ontario's trading partners and avoidance of preference for local suppliers;
- (e) Achieving best value for the Town for the expenditure of public funds through consideration of the full range of procurement formats and the adoption of commercially reasonable business practices;
- (f) Effective balance between accountability and efficiency; and
- (g) Ensuring adherence to the highest standards of ethical conduct, including compliance with the Town's *Conflict of Interest Policy*.

Section 2: Interpretation and Application

2.1 Defined Terms

The following definitions apply in this By-law:

- (a) **Best Value** means the best combination of price (total cost of ownership) technical merit and quality as determined in accordance with pre-defined evaluation criteria and may not be the lowest cost
- (b) **Bid** means a submission in response to a Solicitation Document;
- (c) **Bidder** means a supplier that submits a Bid;
- (d) **Chief Administrative Officer (CAO)** means the Town's administrator or their designate;
- (e) **Competitive Process** means either an Open Competition or an Invitational Competition;
- (f) **Competitive Procurement Project** means a Procurement Project conducted through a Competitive Process;
- (g) **Competitive Procurement Procedures** means the Town's procedures for conducting Competitive Procurement Projects, as developed, maintained and updated by the Treasurer or designate;
- (h) **Council** means the Council of the Corporation of the Town of Greater Napanee;
- (i) **Town** means the Corporation of the Town of Greater Napanee;
- (j) **Department** means one of the Town's business units, departments or divisions;
- (k) **Department Head** means the Director (Deputy Director) or Manager of any Town Department
- (l) **Direct Award** (a.k.a. 'single source' or 'sole source' awards) means a contract award outside of a Competitive Process;
- (m) **Emergency Purchase** means a situation where the purchase of goods, services or construction was necessary because of an immediate risk to the safety or health of Town employees or the general public or because of the possibility of serious damage to Town or private property;
- (n) **Invitational Competition** means a process initiated by way of an invitation to at least three suppliers to submit Bids;
- (o) **Limited Competition** means a Procurement Project whose value would otherwise

require an Open Competition, but the circumstances permit the solicitation of bids from a limited number of suppliers;

- (p) **Low Cost Purchase** means the purchase of goods, services or construction with a procurement value of less than \$10,000;
- (q) **Low Cost Purchase Procedures** means the Town's procedures for making Low Cost Purchases, as developed, maintained and updated by the Treasurer;
- (r) **Master Framework Agreement** means a master agreement entered into between the Town and the pre-qualified suppliers that have been included on a Qualified Supplier Roster;
- (s) **Open Competition** means a process initiated by way of a publicly posted Solicitation Document;
- (t) **Procurement Project** means any purchase of goods, services or construction through Competitive Procurement Procedure or Direct Award;
- (u) **Purchasing Department** means the Town's purchasing and procurement department;
- (v) **Qualified Supplier Roster** means a list of suppliers that have participated in and successfully met the requirements of a Request for Supplier Qualifications (RFSQ), and have been pre-qualified to compete for discrete work assignments involving the delivery of a particular type of goods, services or construction that may be required during the term of the roster;
- (w) **Roster Competition** means an expedited form of competition between suppliers that have been included on a Qualified Supplier Roster;
- (x) **Solicitation Document** means the document used to solicit Bids from Bidders, including but not limited to a Request for Tender (RFT)/Invitation to Tender (ITT); a Request for Proposals (RFP); a Request of Quotations (RFQ); and a Request for Supplier Qualification (RFSQ);
- (y) **Standing Offer** means a contractual commitment for a defined term, usually in the form of an annual purchase order, between the Town and a selected supplier for the supply of particular goods or basic services, as requested through an ordering process, at a predetermined price or discount;
- (z) **Supply Arrangement** means an established arrangement with suppliers that have been pre-qualified to provide particular goods, services or construction to the Town during a specified period of time. Such arrangements include Standing Offers and Master Framework Agreements;
- (aa) **Treasurer** refers to the Manager of Purchasing Services or the head of the Town's Finance Department, who has been delegated the authority to legally bind

the Corporation.

2.2 Application

This By-law applies to the purchase of all goods, services and construction with the exception of those items set out in Appendix 2.

2.3 Procurement Value

In order to ensure that Procurement Projects are conducted in accordance with this By-law, it is important to accurately estimate the value of the Procurement Project. The value of a Procurement Project should include all costs to the Town, including acquisition, delivery, installation and extension options, but should exclude applicable sales taxes.

2.4 Contract Splitting

Subdividing, splitting or otherwise structuring procurement requirements or contracts in order to reduce the procurement value or in any way circumvent the requirements or intent of this By-law is not permissible.

2.5 Purchasing Procedures and Protocols

In addition to this By-law, Purchasing has a number of procedures, protocols, forms and templates for use during the procurement cycle to assist Departments in achieving compliance with this By-law. Departments should confer with the Purchasing Department to ensure that they have all the necessary, up-to-date tools for each stage of a Procurement Project.

2.6 Cooperative Purchasing

The Town may participate with other levels of government or public sector entities in cooperative purchasing ventures or joint contracts when it is in the best interest of the Town to do so. The co-operative purchasing process may be conducted in accordance with the procurement policies and procedures of the entity that is responsible for coordinating and leading the process, provided that those policies and procedures are consistent with the Town's obligations under applicable trade agreements and the principles set out in this By-law.

Section 3: Ethical Conduct and Conflicts of Interest

3.1 Town's Conduct and Internal Conflicts of Interest

3.1.1 The Town must ensure that the management of all Procurement Projects is free from actual or apparent internal conflicts of interest. All participants in the Procurement Project (including all procurement staff, all involved members of the Department, all members of the evaluation team) must ensure that there

are no undeclared actual or apparent internal conflicts of interest. Elected officials within the Town must not have any direct or indirect involvement in any Procurement Project or decision outside of the required approvals set out in this By-law.

- 3.1.2 All elected officials, officers or employees of the Corporation shall declare any Conflicts of Interest to the Treasurer and shall refrain from participating in a purchasing process where a real or perceived Conflict of Interest has been found or deemed to exist.”
- 3.1.3 Town employees should review the Town’s *Conflict of Interest Policy* and should ensure that all purchasing decisions and Procurement Projects are managed in accordance with this By-law, the *Conflict of Interest Policy* and the highest standards of business ethics, as contained in the Code of Purchasing Ethics, published by the National Institute of Government Purchasing and Supply Chain Canada.

3.2 Suppliers’ Conduct and External Conflicts of Interest

- 3.2.1 Procurement Projects must also be free of external conflicts of interest. All suppliers are required to declare, as part of their Bid in a procurement process, that there are no conflicts of interest or provide details of any actual or apparent conflicts of interest. The Purchasing Department must ensure that all procurement templates include appropriate conflict of interest language and declarations.
- 3.2.2 Where a supplier is retained to participate in the development of a Solicitation Document or the specifications for inclusion in a Solicitation Document, that supplier must not be allowed to submit a Bid or directly or indirectly participate in the submission of any Bid in response to that Solicitation Document. While this restriction shall be deemed to apply to all Town Procurement Projects, it should be disclosed in the initial procurement process by which the supplier is retained.
- 3.2.3 The Town expects its suppliers to act with integrity and the Town may, at the Corporation’s sole discretion, refuse to do business with any supplier that:
- (a) has an actual or potential conflict of interest;
 - (b) has an unfair advantage in the procurement process;
 - (c) has engaged in illegal or unethical bidding practices;
 - (d) Is in active dispute of contract;
 - (e) Is Currently involved in legal proceedings against the Corporation; or
 - (f) Has initiated litigation against the Corporation within the past 5 years.
- 3.2.4 Illegal or unethical bidding practices include:

- (a) bid-rigging, price-fixing, bribery or collusion or other behaviors or practices prohibited by federal or provincial statutes;
- (b) attempting to gain favor or advantage by offering gifts or incentives to Town officers and employees, members of Council or any other representative of the Town;
- (c) lobbying members of Council or Town officers and employees or engaging in any prohibited communications during a procurement process;
- (d) submitting inaccurate or misleading information in response to a procurement opportunity; and
- (e) engaging in any other activity that compromises the Town's ability to run a fair procurement process.

Section 4: Roles and Responsibilities

4.1 Separation of Roles and the Role of Council

- 4.1.1 In accordance with best practices in municipal procurement, Council recognizes the need for a clear separation of political and administrative functions in relation to the Town's procurement operations. It is the role of Council to establish policy and to approve expenditures through the Town's budget approval process. Through this By-law, Council delegates to the Town's officers and employees the authority to incur expenditures in accordance with approved budgets through the procurement of goods, services and construction in accordance with the rules and processes set out in this By-law.
- 4.1.2 To facilitate Council's oversight role in respect of significant projects, Council may require Departments to obtain Council's authority to initiate specific procurements by identifying procurement projects of interest, such as procurements that are of a high value or involve significant risk, security concerns or significant community interest.
- 4.1.3 To avoid the potential appearance of bias or political influence in procurement contract award decisions, members of Council will have no involvement in competitive procurement processes from the time those procurement process have been initiated through the advertisement or issuance of the Solicitation Document until a contract has been entered into with the successful Bidder, except where Council is required to approve the contract award in accordance with Section 6.3 of this By-law.

4.2 Roles and Responsibilities of Town Officers and Employees

The roles and responsibilities of Town officers and employees are as follows:

4.2.1 Department Head or designate:

- (a) Identifying the need or requirement to be satisfied through a Procurement Project;
- (b) Building a Procurement Project and obtaining appropriate approval prior to proceeding to market;
- (c) Developing or identifying an approved funding source;
- (d) Determining first if there are internal sources of supply or existing supply arrangement through consultation with the Purchasing Department;
- (e) Researching and understanding external market conditions and potential sources of supply;
- (f) Authorizing purchases that are within their delegated authority as set out in this By-law;
- (g) Preparing Delegated Authority (DA) memos for the next available Council meeting.
- (h) Ensuring employees involved in Procurement Projects have appropriate training;
- (i) Ensuring Department compliance with all procurement policies guidelines, applicable laws; trade agreements and regulations; and
- (j) Supporting the promotion of compliance with this By-law and of sound procurement practices and supporting the provision of appropriate education and training to employees involved in Procurement Projects.

4.2.2 Treasurer:

- (a) Researching, developing, updating and communicating corporate purchasing policies, procedures, guidelines and standards;
- (b) Approve Delegated Authority (DA) memos for the next available Council meeting.
- (c) Provide regular updates on procurement transactions through monthly activity reports.
- (d) Advising Town staff on policies, regulations and legislation affecting procurement;
- (e) Providing appropriate orientation, training and tools to employees involved in public procurement activities;

- (f) Advising on Competitive Procurement Projects;
- (g) Monitoring compliance across the organization and reporting on performance to the Town Leadership team when required;
- (h) Continually analyzing the Town's business requirements and identifying opportunities for cost savings or more strategic sourcing;
- (i) Serving as the interface between the Town and the supplier community during the procurement process;
- (j) Advising Departments on market conditions and strategies in developing budgets, planning projects, framing business cases and buying decisions;
- (k) Establishing supply arrangements to maximize value for the organization;
- (l) Reviewing the Town's procurement patterns to identify areas where efficiency could be realized through aggregate spending;

4.2.3 Chief Administrative Officer:

- (a) Approving purchases per the delegation of authority; and
- (b) Authorize spending approval limits of up to \$100,000 for positions that are not expressly named in this By-law; and
- (c) Providing oversight of the purchasing process.

4.2.4 Treasurer:

- (a) Providing oversight of the procurement process;
- (b) Authorize spending approval limits of up to \$100,000 for positions that are not expressly named in this By-law; and
- (c) Ensuring proper internal controls including segregation of duties.

4.2.5 Finance Department:

- (a) Processing of all payments to vendors; and
- (b) Monitoring established internal controls for the purchasing process.

4.2.6 Mayor and Town Council

- (a) Approves large purchases over \$100,000.

Section 5: Procurement Methods

5.1 Standard Procurement

A standard procurement is the acquisition of goods, services or construction through the applicable process described in this Section. All standard procurement processes must be approved, conducted and reported in accordance with this By-law and all applicable procedures and protocols.

(a) Purchases Under \$10,000 (Low-Cost Purchase Procedure)

A competitive process is not required for purchases under \$10,000. However, comparison pricing should be done where practical. Employees making Low Value Purchases must do so within the principles set out in section 1.2 of this By-law.

(b) Purchases Over \$10,000 but under \$50,000

For the purchase of goods, services or construction with a procurement value at or over \$10,000 but under \$50,000, the Department shall obtain at least three (3) documented quotations from Suppliers. Quotations may be solicited by email or the tendering process. Copies of the three (3) quotes must be provided to the purchasing department prior to proceeding with the purchase.

(c) Open Competition (Over \$50,000)

For the purchase of goods, services or construction at or over \$50,000 the purchasing department will conduct an Open Competition by issuing a Solicitation Document (RFP, RFQ, RFT) or may direct the department to issue the solicitation document on the Town's prescribed electronic tendering.

5.1.2 Supply Arrangement

The Town may enter into Supply Arrangements with one or more supplier(s) for the supply of particular goods, services or construction.

a) Purchasing Under Existing Supply Arrangements

It is the responsibility of the Department to determine, through consultation with the Purchasing Department, if there is an existing Supply Arrangement for the required goods or services before making a purchase.

If the required goods or services are available under an existing Standing Offer, typically in the form of an annual purchase order, the Department should purchase the goods or services through the established ordering process.

If a Qualified Supplier Roster has been established for the required goods or

services, the goods or services purchases through a Roster Competition conducted in accordance with the process set out in the applicable Master Framework Agreement.

b) Establishment of Supply Arrangements

The Purchasing Department may consider establishing a Supply Arrangement for goods or services that are required on a regular or repetitive basis by one or more Departments.

If a Department anticipates making multiple purchases of the same goods or services and the total value of those purchases may exceed \$100,000, the Department must contact the Purchasing Department to discuss the possibility of establishing a Standing Offer or a Qualified Supplier Roster with Master Framework Agreements.

Supply Arrangements are established through a Competitive Process managed by the Purchasing Department and conducted in accordance with the Town's Competitive Procurement Procedures.

5.2 Non-Standard Procurement

A non-standard procurement is the acquisition of goods, services or construction through a process or method other than the process and method normally required for the type and value of the required goods, services or construction. Non-standard procurement processes include:

a) Direct Awards

Goods, services or construction are acquired directly from a particular supplier without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required.

b) Limited Competitions

Bids are solicited from a limited number of suppliers when an Open Competition would normally be required.

The use of a non-standard procurement process is only permitted under the specific circumstances set out in Appendix 3 of this By-law. All non-standard procurement processes must be approved in accordance with this By-law and any applicable procedures and protocols. In seeking approval for a non-standard procurement, the Department must provide full details to explain why the Procurement Project fits into one or more of the circumstances under Appendix 3.

A written report to Council must be prepared for each Non-Standard Procurement, including the value and kind of goods or services procured and a statement indicating the circumstances and conditions that justified the use of a Non-Standard Procurement. Council must then, by resolution, approve the non-standard

procurement. The report and any supporting documentation must be maintained for a minimum of three (3) years from the contract award date.

5.3 Unsolicited Proposals

Any procurement resulting from the receipt of an unsolicited bid must comply with the provisions of this Procurement By-law.

In the absence of a competitive process, a contract may only be awarded in respect of an unsolicited proposal if a Non-Standard Procurement is permitted in accordance with this By-law and all applicable procedures and protocols.

Section 6: Procurement Approvals and Delegated Authorities

6.1 Delegated Procurement Authorities

Council hereby delegates Staff authority to initiate procurement and approve a contract award based on the approval limits set out in Appendix 4 of this By-law.

The CAO, Mayor (or the Deputy Mayor in the Mayor's absence), Town Clerk, and General Managers have the authority to bind the corporation as a statutory officer, or under the delegated authority bylaw and are authorized to commit the Town to a contract through the execution of a legal agreement.

When the Chief Administrative Officer (CAO) authorizes a designated authority, the authorization shall be documented in writing. The written authorization will specify the scope and duration of the designation and will be submitted to the Human Resources Department for record-keeping and implementation.

6.2 Conditions of Delegated Authorities

The delegated procurement authorities are subject to the following conditions:

No contract may be entered into, either through the issuance of a purchase order or the execution of a legal agreement, unless sufficient funds are available within the approved Council budget / budget amendment approved by Council Resolution to cover the procurement value and the contract award has been approved in accordance with this By-law and all applicable procedures and protocols.

6.3 Council Approval

Council approval for the award of a contract is required if:

- a) the procurement value exceeds the approval limits of delegated procurement authorities set out in Appendix 4 of this By-law; or
- b) any of the conditions of delegated procurement authorities, as set out in section

6.2 of this By-law, have not been met; or

- c) there is an irregularity or unresolved challenge in connection with the Procurement Project and, in the opinion of the CAO, in consultation with the Treasurer or designate and/or the Municipal Solicitor, the award of the contract is likely to expose the Town to significant legal, financial or reputational risk.

The Town shall have absolute discretion in awarding Contracts and retains the right to reject any or all Bids

Council may by resolution waive any requirements under this by-law where Council deems, in its sole discretion, that the decision provides the best value to the Town and is in keeping with the spirit and intent of this by-law.

6.4 Emergency Purchases

Approval and Reporting

- 6.4.1 **“Emergency”** means an urgent situation where the immediate purchase of goods and services is essential to comply with any applicable law or lawful order, or danger to life or damage to property, or threat or risk to public health and safety.
- 6.4.2 The Department Head shall be authorized to make emergency purchases up to \$10,000 (*If not in operating budget*)

The Department Head shall submit report to Council in next available activity report. The report shall include the details of the emergency purchase and the source of funding.
- 6.4.3 The General Manager shall be authorized to make emergency purchases up to \$50,000.

The General Manager shall submit report to Council in next available activity report, or other public Council report as appropriate. The report shall include the details of the emergency purchase and the source of funding.
- 6.4.4 The CAO shall be authorized to make emergency purchases over \$50,000.

The CAO shall submit report to Council in next available activity report, or other public Council report as appropriate. The report shall include the details of the emergency purchase and the source of funding.
- 6.4.5 Emergencies include, without limitation
 - a) the welfare and protection of persons, property or the environment;or

b) an imminent or actual danger to the life, health or safety of an official or an employee

while acting on the Town's behalf; or

c) an imminent or actual danger of damage to or destruction of real or personal property

belonging to the Town; or

d) an unexpected interruption of an essential public service; or

e) an emergency as defined by the Emergency Management and Civil Protection Act,

R.S.O. 1990, Chapter E.9 and the emergency plan formulated there under by the Town;

or

f) a spill or pollutant as described by Part X of the Environmental Protection Act, R.S.O.

1990, Chapter E.19 and, 12.2.6 mandate of a non-compliance order.

Section 7: Supplier Relations and Contract Management

7.1 Procurement Notification

Promptly following the award of a contract in a Competitive Process, the Purchasing Department is responsible for sending out notification letters to unsuccessful Bidders informing them that they were not selected.

Within 72 days of the contract award, the Purchasing Department is responsible for posting the notice of award on the Town website. The notice must remain readily accessible for a 18 month period of time and must include the following information:

- (a) the name and address of the Town;
- (b) the name and address of the successful supplier;
- (c) a description of the goods or services procured;
- (d) the value of the successful bid or the highest and lowest offers taken into account in the award of the contract;
- (e) the date of award;
- (f) the type of procurement method used; and
- (g) in the case of a Non-Standard Procurement, the conditions or circumstances that justified the use of a Non-Standard Procurement.

7.2 Debriefings

Unsuccessful Bidders may request a debriefing. If a debriefing is requested, it should be scheduled with and conducted by the Purchasing Department in accordance with the protocols established by the Purchasing Department. Bidders are entitled to an explanation of the reasons why its bid was not selected and the relative advantages of the successful Bidder's bid; however, care must be taken not to provide information that might prejudice fair competition between suppliers.

7.3 Bid Protest Procedure

Unsuccessful Bidders may also formally protest the outcome of a Procurement Project. In order to avail itself of the Town's bid protest procedure, the Bidder must first request and receive a debriefing. If the Bidder still wishes to challenge the outcome of the Procurement Project, they must formally protest the outcome in writing. The Municipality must respond in a timely fashion to any bid protest and must respond with a schedule to address the Bidder's concerns. The appropriate Department representative and the Treasurer or designate must attend any bid protest meeting.

7.4 Contract Management

Once the contract has been signed, it is essential that it be properly managed. Department Heads are responsible for all aspects of contract management. The following principles must be followed with respect to the management of all Town contracts:

7.4.1 Scope Management

The scope of each contract must be appropriately managed to ensure that all deliverables are properly received, payments are appropriately made, all timelines are met and any extension options are appropriately exercised.

7.4.2 Payments to Suppliers

Departments are responsible for reviewing and approving supplier invoices in accordance with the contract.

Finance is responsible for prompt payment after receiving an approved supplier invoice from the department.

7.4.3 Scope Changes and Contract Amendments

Scope changes and contract amendments are to be managed prudently when unforeseen events arise when a project is underway:

- a) The supplier must submit a change order request including rationale, cost and timing implications;
- b) The change must be approved by the Town prior to commencement of the work;

- c) The change must be funded within an approved budget / Or budget amendment passed by resolution;
- d) The amendment of the contract must be approved in accordance with the approval limits set out in Appendix 4 of this By-law; and
- e) If the amendment results in an increase of greater than 10% of the original contract value, the amendment must have the additional approval of the Treasurer or the CAO.

7.4.4 Contract Disputes

All potential contract disputes with suppliers must be managed in accordance with the dispute resolution mechanisms outlined in the contract. Where a contract is silent on dispute resolution, Departments should ensure that potential disputes are proactively managed and appropriately escalated. Written copies of all communications and correspondence with suppliers concerning a contract dispute must be maintained by the Department.

7.4.5 Termination

A contract can only be terminated prior to its expiry date with the involvement of Purchasing. Where necessary, the Purchasing Department may retain external legal services to provide additional advice on any legal risks connected with terminating the agreement.

7.4.6 Supplier Barring

Problematic suppliers may be barred from future contracts with the Town as determined by the Town's Supplier Barring Protocol, as maintained by the Purchasing Department.

Section 8: Records, Confidentiality and Access to Information

8.1 Records Retention

- 8.1.1 Proper documentation should be maintained for all stages of the Procurement Project as should follow the Town's Records Management Policy.

Documentation and reports regarding procurement processes and contract awards (including Non-Standard Procurements) and data necessary to trace the process conducted electronically must be maintained for at least seven (7) years from the contract award date.

Agreements and contracts entered into by the municipality which require a by-law for approval; including construction contracts and specifications shall be retained for 15 years.

8.1.2 The Purchasing Department is responsible for ensuring that all documentation relating to the Procurement Project is properly filed in the Procurement Project file, regardless of the Procurement Project value. The following are the minimum requirements of what should be kept in each Procurement Project file:

- a) Internal drafts of all Solicitation Documents, including internal correspondence concerning same;
- b) Original copies of all final Solicitation Documents;
- c) Copies of the Procurement Project plan, together with evidence of all necessary conditional approvals;
- d) If using an Invitational Process, evidence of quotations obtained from suppliers (e.g., copies of emails, written submissions);
- e) Records of any communications with Bidders or potential Bidders
- f) Copies of all addenda;
- g) Original copies of all Bids received from Bidders (including amendments to Bids);
- h) All records of evaluation processes, including evaluator notes and final scores;
- i) Copy of the final recommendation memo together with all required approvals; and
- j) Copies of debriefing or bid protest procedure requests and outcomes.
- k) Council Resolutions if required

8.2 Confidentiality

The Town must ensure that Bidder and supplier information submitted in confidence as part of a Procurement Project is adequately protected. Purchasing and Departments must ensure that all Bids and contracts are kept in a secure location and only accessible by those individuals directly involved with the Procurement Project.

8.3 Access to Information

The Town is subject to the *Municipal Freedom of Information and Protection of Privacy Act* and must ensure the proper maintenance, release and management of all procurement records. Purchasing and Departments should jointly coordinate any requests for access to procurement-related documents.

Section 9: General

9.1 Commitment to Accessibility

The Town is committed to ensuring accessibility for all residents, employees, and visitors. When procuring goods, services, or facilities, the Town will incorporate accessibility design, criteria, and features, except where it is not practicable to do so.

Where applicable:

- a) Procurement documents will clearly specify the required accessibility criteria.
- b) Evaluation processes will include guidelines for assessing proposals based on these criteria.
- c) If it is determined that incorporating accessibility is not practicable, an explanation will be provided upon request in an accessible format.

Staff involved in procurement will receive training on accessibility requirements under the Accessibility for Ontarians with Disabilities Act (AODA) and the Integrated Accessibility Standards Regulation (IASR). The Town will regularly review and update procurement practices to ensure ongoing compliance and continuous improvement in accessibility.

9.2 Procurement Training

Purchasing, in consultation with Departments, will provide orientation and training as required to Town employees involved in procurement activities. Department Heads are to ensure that employees involved in procurement activities have the appropriate training and notify the Purchasing Department when new employees are hired or there are changes in duties affecting current staff. Purchasing is also responsible for ensuring communication across the Town's various departments with respect to public procurement obligations.

9.3 Monitoring, Reporting and Non-Compliance

Town employees must adhere to the Town's procurement policies. Department Heads and senior management are responsible for ensuring compliance. The Treasurer or designate is responsible for monitoring compliance across the organization, including conducting spot audits of Procurement Projects managed directly by Departments, and reporting on performance to the CAO

9.4 Review of Purchasing By-law, Policies and Procedures

The purchasing department shall review and undertake a comprehensive review of this By-law every (4) years and report to Council accordingly. The review of purchasing policies and procedures shall be conducted on an ongoing basis.

Appendix 1 - Applicable Laws, Trade Agreements and Regulations

1. Procurement activities at the Town of Greater Napanee must be conducted in accordance with all laws, regulations and standards, including, but not limited to:
 - i. *Income Tax Act* and Regulations
 - ii. *Excise Tax Act* and Regulations
 - iii. *Occupational Health and Safety Act* and Regulations
 - iv. *Worker's Compensation Act* and Regulations
 - v. *Municipal Freedom of Information and Protection of Privacy Act* and Regulations
 - vi. *Municipal Act* and Regulations
 - vii. *Competition Act* and Regulations
 - viii. *Accessibility for Ontarians with Disabilities Act* and Regulations
 - ix. Town of Greater Napanee by-laws and all Council and administrative policies, procedures and protocols
2. Procurement activities at the Town of Greater Napanee must comply with all applicable trade agreements, including:
 - i. Canadian Free Trade Agreement (CFTA) – all Provinces & Territories;
 - ii. Ontario and Quebec Trade Cooperation Agreement – Ontario and Quebec;
 - iii. Canadian-European Union Comprehensive Economic Trade Agreement (CETA); and
 - iv. any future trade agreements that are applicable to the Town.

Appendix 2 – Exceptions

This By-law does not apply to the acquisition of the following goods and services:

- a) **Petty Cash Items** - Maximum \$50 per transaction
- b) **Training / Education / Professional Development**
 - Conferences / Conventions / Courses / Seminars / Workshops - If employee paid, reimbursement will be made through accounts payable
 - Magazines / Periodicals / Subscriptions
 - Memberships
 - Corporate staff development, workshops and training including all related, equipment, resources, supplies, trainers, coaches and speakers
- c) **Refundable Employee Expenses** – reimbursed through accounts payable
 - Meal allowances
 - Miscellaneous – non-travel
 - Travel expenses
- d) **Corporate General Expenses**
 - Payroll and Benefit Premiums and remittances
 - Recruitment services
 - Public employment contracts
 - Advertising in newspapers, radio, television, etc.
 - Employee Medicals
 - Medical or other Investigative Services
 - Ongoing Licences– including Hardware and Software Licences and maintenance contracts
 - Debenture payments
 - Insurance premium payments, claim settlements and adjuster services
 - Grants to agencies
 - Damage claims
 - Petty cash replenishment
 - Tax remittances
 - Property tax refunds
 - Workplace Safety and Insurance Board (WSIB) remittance
 - Building/Development permit refunds and deposit returns
 - Charges to or from other government agencies with approval from Finance including:
 - Regional Permits
 - Cross Boundary Agreements
 - Radio Trunking License
 - Vehicle Licensing
 - Police Services

- Real Estate transactions including the acquisition or rental of land, existing buildings, or other immovable property or the rights thereon
- Bank charges
- Development Charges, Connection Fees, and Cash in Lieu refunds
- Brokerage Fees
- Commissions
- Taxi Services
- Recreation program/facility refunds
- Committee Fees

e) Professional and Special Services

- Counselling services
- Legal counsel as required and authorized by a Department Head in consultation with the Treasurer and/or CAO.
- Legal counsel and professional and expert services for employment and labour law matters as required and authorized by the Department Head, Human Resources in consultation with the Treasurer and/or CAO
- Arbitrators, Mediators and Investigators
- Acquisitions from philanthropic institutions, non-profit organizations, prison labour or natural persons with disabilities
- Financial services respecting the management of government financial assets and liabilities (i.e. treasury operations), including ancillary advisory and information services, whether or not delivered by a financial institution
- Appraisal charges
- Land survey costs where competitive bids are not able to be obtained
- Hiring of consultants or contractors to complete project deficiencies or complete the work of a developer where the developer has abandoned the project or is negligent in completion and where funds to complete the work are being drawn from deposits held by the Town and where time does not permit a competitive bidding process
- Special Events - performers, artists, speakers, facility rental, catering, equipment, resources and supplies
- Honorarium where a Social Insurance Number shall be provided
- Providers of artistic and recreational services, such as instructors, dance/yoga/gymnastic teachers, historical experts, artistic designers, health and appearance therapists, public/guest speakers, individuals or ensembles that offer creative content for presentation to others.

Staff engaging Professional & Special Services (Section e) listed above are responsible to request proof of commercial general liability insurance and certificate of good standing with WSIB and keep all documentation current until completion of the work. Exceptions must be pre-approved by the Treasurer

f) Utilities

- Servicing and requested plant modifications / relocations related to construction
- Postage and Courier Services
- Water and Sewage
- Hydro and Gas
- Telephone (basic services), Cellular and Wireless Devices
- Service relocations when required by a designate authority, e.g. Union Gas, Ontario Hydro
- Cable or CCTV Television Charges
- Radio system licensing
- Services and Inspection of the Technical and Safety Standards Association (TSSA)
- Other regulated authorities operating within and across municipal right of ways (e.g. CN Rail, Bell Canada)

g) Election materials

The Clerk has the authority to purchase goods, services and equipment considered necessary or advisable to carry out the requirements of the Municipal Elections Act, S.O. 1996, c.32. The Clerk shall wherever possible be guided by the provisions of this Bylaw

Appendix 3 – Circumstances for Non-Standard Procurement (Single and Sole Source)

Goods, services and construction may only be acquired through a non-standard procurement process under the circumstances describe below.

Procurement Projects

- (a) Where goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a Competitive Process could reasonably be expected to compromise confidentiality, cause economic disruption or otherwise be contrary to the public interest.
- (b) Where no Bids are received in response to a Competitive Process conducted in accordance with this By-law.
- (c) To ensure compatibility with existing goods and products, to recognize exclusive rights, such as exclusive licenses, copyright and patent rights or to maintain specialized products that must be maintained by the manufacturer or its representative.
- (d) Where there is an absence of competition for technical reasons and the goods or services can only be supplied by one supplier and no alternative or substitute exists.
- (e) The procurement is for additional deliveries by the original supplier of goods or services that were not included in the initial procurement if a change of supplier for such additional goods or services:
 - **cannot** be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; **and**
 - would cause significant inconvenience or substantial duplication of costs for the Town.
- (f) For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
- (g) For the procurement of a prototype of a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases.
- (h) The procurement is otherwise exempt from Open Competition requirements under all applicable trade agreements

Appendix 4 – Table of Authority for Purchasing and Payments

| POSITION | DETAIL | LIMIT |
|--|--|--------------|
| Mayor and Council | All expenditures | Unlimited |
| Chief Administrative Officer & Treasurer | All expenditures | \$100,000 |
| General Managers | All expenditures | \$50,000 |
| Department Directors (Deputy Directors) | General Purposes – day-to-day departmental requirements. Payments for approved Contracts/Service Agreements | \$50,000 |
| Department Managers | General Purposes – day-to-day departmental requirements. Payments for approved Contracts/Service Agreements | \$10,000 |
| Administrated Staff | General Purposes – day-to-day departmental requirements. Payments for approved Contracts/Service Agreements | \$2,500 |

| METHOD OF PROCUREMENT | TYPE OF QUOTATION | SOURCE OF BIDS | TYPE OF CONTRACT | APPROVAL REQUIREMENTS |
|---|---|---|--|---|
| STANDARD PROCUREMENT - GOODS AND SERVICES AND CONSTRUCTION | | | | |
| Under \$10,000 | Written quotation | Comparison pricing should be done where practical | Purchase order | Approved by Department Manager |
| \$10,000 - \$50,000 | Written quotation | 3 written quotes must be obtained | Direct acquisition purchase order or agreement | Approved by Department Director (Deputy Director) / Treasure or Designate |
| \$50,000 - \$100,000 | Written quotation acquired by REQUEST FOR QUOTATION (RFQ / RFP) | Posted on the Town's prescribed electronic tendering site | Purchase order or executed agreement | Approved by Department Director (Deputy Director) and Treasurer |
| Over \$100,000 | Written quotation acquired by REQUEST FOR TENDER (RFT/RFP) | Posted on the Town's prescribed electronic tendering site | Executed agreement | Approved by Council |

| METHOD OF PROCUREMENT | TYPE OF QUOTATION | TYPE OF CONTRACT | APPROVAL REQUIREMENTS |
|--|--|--------------------------------------|--------------------------------|
| NON-STANDARD PROCUREMENT (SOLE SOURCE, SINGLE SOURCE) | | | |
| Under \$10,000 | Single Source Sole Source Contract Extension/Purchase Order Increase | Purchase order | Approved by Department Manager |
| Over \$10,000 | Single Source Sole Source Contract Extension/Purchase Order Increase | Purchase order or executed agreement | Approved by Council |

| METHOD OF PROCUREMENT | APPROVAL REQUIREMENTS | REQUIREMENTS |
|------------------------------|------------------------------------|--|
| EMERGENCY PURCHASE | | |
| Under \$10,000 | Approved by Department Manager | Submit report to Council in next available Activity Report |
| \$10,000 up to \$50,000 | COA or General Manager, in writing | Submit report to Council in next available Activity Report |
| Over \$50,000 | CAO, in writing | Submit report to Council at next available Council Meeting |

| METHOD OF PROCUREMENT | TYPE OF QUOTATION | SOURCE OF BIDS | TYPE OF CONTRACT | APPROVAL REQUIREMENTS |
|-------------------------------------|--------------------------|-----------------------|-----------------------------|---|
| JOINT/COOPERATIVE PURCHASING | | | | |
| Under \$100,000 | Written quotation | Existing agreement | Purchase order or agreement | Approved by Department Director (Deputy Director) / Treasure or Designate |
| Over \$100,000 | Written quotation | Existing agreement | Purchase order or agreement | Approved by Council |

Guidelines to Delegation of Authority Matrix

1. The authority is granted based on the need of each position.
2. Approvals limits are on a per transaction basis.
3. Limits are the maximum value of a transaction including all options and extensions.
4. The authority to initiate a procurement process is based on the estimated procurement value. The authority to approve a contract award is based on the actual procurement value that includes all potential options and extensions
5. Authority can only be exercised within the scope of the position. i.e. the incumbent cannot approve transaction in another department.
6. Transactions can only be approved within the Council approved budget or Council resolution.