

# **TOWNSHIP OF EDWARDSBURGH CARDINAL**



## **PROCUREMENT POLICY**

Amended May, 2025

## **1. Legislative Authority**

The *Municipal, Act, 2001, Part VI, Section 270*, as amended states that a municipality and a local board shall adopt policies with respect to its sale and disposition of assets and its procurement of goods and services, including the following:

- a) The types of procurement processes that shall be used;
- b) The goals to be achieved by using each type of procurement process;
- c) The circumstances under which each type of procurement process shall be used;
- d) The circumstances under which a tendering process is not required;
- e) How the integrity of each procurement process will be maintained;
- f) How the interests of the municipality or local board, as the case may be, the public and persons participating in a procurement process will be protected;
- g) How and when the procurement process will be reviewed to evaluate their effectiveness.

## **2. Purpose and Scope**

- 2.1. The purpose of this policy is to set out guidelines for the municipality and local boards, including the Port of Johnstown, to ensure that all purchases of materials, supplies and services provide the lowest costs consistent with the required quality and service.
- 2.2. Demonstrate that an open, transparent and honest process shall be maintained that is fair and impartial
- 2.3. That the policy will promote and maintain the integrity of the purchasing process and protect Council, vendors and staff involved in the process by providing clear direction and accountabilities.

## **3. Procurement Principles, Goals and Objectives**

The purchasing principles of the Township of Edwardsburgh Cardinal are as follows:

- 3.1. To maintain trust and confidence in the stewardship of public funds by providing an open, objective, fair, transparent, non-discriminatory access to all supplier(s) and contractor(s) covered under the Canadian Free Trade Agreement (CFTA) and shall accord such supplier(s) and contractor(s) equal treatment;

- 3.2. To procure by purchase, rental, finance or lease the required quality and quantity of goods and/or services in an efficient, timely and cost-effective manner;
- 3.3. To encourage open competitive bidding for the acquisition and disposal of goods and services where practicable;
- 3.4. To promote where applicable in the purchasing activities of the Township, the requirements of the *Accessibility for Ontarians with Disabilities Act*, 2005, SO 2005, c 11:
- 3.5. To consider all costs, including, but not limited to, acquisition, operating, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs, in evaluating bid submissions from qualified, responsive and responsible vendors;
- 3.6. To standardise the procurement of goods and services wherever possible to meet the following objectives:
  - a) To allow for reduced number of goods and services required;
  - b) To maximize volume buying opportunities;
  - c) To provide economies of scale;
  - d) To reduce handling, training and storage costs;
  - e) To minimize maintenance costs;
  - f) To reduce overall costs to the Township;
  - g) To leverage value.
- 3.7. To monitor the economic climate and legislative changes which may have an impact on the Township of Edwardsburgh Cardinal and to determine the appropriate actions to be taken through purchasing policies and procedures;
- 3.8. To encourage the procurement of goods and services with due regard to the preservation of the natural environment, vendors may be selected to supply goods made by methods resulting in the least damage to the environment and supply goods incorporating recycled materials where practicable.
- 3.9. When procuring goods, services and facilities, the Township will incorporate accessibility criteria and features where applicable and practicable;
- 3.10. To encourage, whenever possible, the procurement of goods and services from Canadian Companies and when unavailable to procure goods and services from global suppliers;

- 3.11. This policy will be reviewed every 5 years or earlier, to evaluate its effectiveness. The review is to take into consideration current and future professional practices, industry standards, market conditions, Federal/Provincial directions/policies, technological developments and advancements and the impact that any recommended changes may have on potential suppliers to the Township.

#### 4. Definitions

- 4.1. **“Authority or Authorized”**, means the right to conduct the subject task as directed by Council and delegated through the office of the CAO or the Port General Manager to Department Heads or Treasurer.
- 4.2. **“Awards”**, means authorization to proceed with the purchase of goods, services or construction from one or more of chosen suppliers or contractors.
- 4.3. **“Bid”**, means an offer or submission from a bidder in response to a Request for Quotation (RFQ), Request for Tender (RFT) or Request for Proposal (RFP) in accordance with the terms and conditions of the Township’s bid documents.
- 4.4. **“Bidder”**, means one who submits a response to a call for a bid.
- 4.5. **“Bid Deposit”**, means the form of security required by the terms and conditions of bid solicitations to guarantee that the successful supplier enters into a contract with the Township.
- 4.6. **“Bid Irregularity”**, means a deviation between the requirements of a bid request and the information provided in a bid response.
- 4.7. **“Budget”**, means the budget or portion of the budget that is approved by Council.
- 4.8. **“Chief Administrative Officer” or CAO**, means the Chief Administrative Officer of the Corporation of the Township of Edwardsburgh Cardinal, who also has discretion and authority to act as a Department Head.
- 4.9. **“CFTA”**, means the Canadian Free Trade Agreement set out for Government Procurement Chapter Five, effective July 1, 2017 and as may be updated from time to time.
- 4.10. **“Compliant Bid”**, means a bid that meets the terms and conditions of the RFT, RFQ or RFP and this policy.
- 4.11. **“Contract”**, means a legally binding agreement, enforceable by the courts,

between two or more parties that creates an obligation to provide defined goods and/ or perform defined services in exchange for some consideration.

- 4.12. **“Co-Operative Purchasing”**, means a variety of arrangements whereby two or more public sector entities combine their requirements in a single procurement process to obtain advantages of volume purchases, administrative savings and other benefits from the same supplier(s) or contractor(s).
- 4.13. **“Council”**, means the Council for the Corporation of the Township of Edwardsburgh Cardinal.
- 4.14. **“Department Head”**, means an employee who holds operational responsibility for a municipal function or service identified as a department in the Township’s organization chart. Where responsibility for a function or service cannot be ascribed to a Department Head, this definition shall be deemed to mean CAO or Port General Manager.
- 4.15. **“Emergency”**, shall mean a situation where, in the opinion of the CAO, the purchase of goods and services requires immediate action to prevent or correct dangerous or potentially dangerous safety conditions to protect the Township, against heightened liability, or ensure the safety of the public as a result of a sudden unexpected event.
- 4.16. **“Lowest Compliant Bid or Bidder”**, means the bid that complies with the tender or quote that would provide the Township with the desired goods and/or services at the lowest cost. The lowest or any compliant bid may not necessarily be accepted.
- 4.17. **“Port”** means the Port of Johnstown.
- 4.18. **“Port General Manager”** means the Port of Johnstown General Manager as appointed by the Council for the Corporation of the Township of Edwardsburgh Cardinal.
- 4.19. **“Port Management Committee”** means the members of the Port of Johnstown Management Committee appointed by Council and operating under the established terms of reference.
- 4.20. **“Proposal”**, means the submission received or the response to a Request for Proposal, acceptance of which may be subject to further negotiation.

- 4.21. **“Quote”**, means a submission to the Township in response for the cost of providing goods, services or construction to the township, for purchases under \$30,000.00.
- 4.22. **“Request for Proposal” or “RFP”**, means a request for proposals for goods and services, or construction and is generally based on providing a solution to objectives stated within applicable terms of reference. The request document must clearly state the evaluation criteria; price may not be the primary evaluation factor when making a recommendation to award the contract.
- 4.23. **“Request for Quotation” or “RFQ” and “Request for Tender” or “RFT”**, means a public request for quotation or tender bids for the provision of goods, services or construction based on defined requirements and where clear solution exists.
- 4.24. **“Single Source”**, means the non-competitive procurement process to acquire goods and/or services from a specific supplier even though there may be more than one supplier capable of delivery of the same goods and/or services.
- 4.25. **“Sole Source”**, means there is only one source of the goods and/or services that meets the needs of the Township or Port of Johnstown.
- 4.26. **“Staff”**, means Port and Township employees defined in the Collective Agreement and Employment and Personnel Policy.
- 4.27. **“Township”**, means the Corporation of the Township of Edwardsburgh Cardinal.
- 4.28. **“Canadian Company”**, means a supplier, manufacturer, or distributor that meets the following conditions and also aligns with the criteria set forth in the *Investment Canada Act*.
- a) Place of Business: The company maintains a physical location within Canada where it conducts its operations.
  - b) Employment: The company employs or engages individuals in Canada who contribute to its business activities.
  - c) Assets: The company possesses assets within Canada that are utilized in carrying out its business functions.

## 5. General Purchasing Procedures

- 5.1. The purchasing procedures laid out in this policy shall be adhered to by all municipal departments, the Boards, and Committees over

which Council has direct control and by their staff.

- 5.2. Individual Committee and Council members have no spending authority, and cannot enter into purchase or service agreements.
- 5.3. Department Heads may delegate their purchasing authority as assigned to a designate, however all responsibility remains with the Department Head and/or the CAO to ensure that all purchasing commitments represent good value for the Township and comply with all policies of the Township and to ensure that suppliers have a reasonable period of time to submit a bid in accordance with the time periods set out in the CFTA.
- 5.4. Joint departmental purchasing shall be done whenever possible. Bulk purchasing is encouraged when practical.
- 5.5. The Township may participate in co-operative purchasing with other municipalities, agencies, boards or broader public sector entities. The co-operative purchasing process may be conducted in accordance with the procurement policies and procedures of the entity that is responsible for co-ordinating and leading the process. Providing that those policies and procedures are consistent with the Township's obligations under applicable trade agreements and the Township's goals and objectives set out in this policy.
- 5.6. Department Heads shall initial approval stamp, as per Accounts Payable procedure, to confirm receipt of all goods and services purchased to the Treasurer before payment is made to the vendor.
- 5.7. Department Heads shall ensure that local suppliers are given the opportunity to provide quotes on goods and services. Should any quotations be equal in price, availability and delivery time and meet the desired specifications of Council, preference shall be given to the supplier within the Township's limits.
- 5.8. Where requests for quotations or requests for tenders are being sought it shall be done in writing, specifying the deadline for quotation and including a specification sheet on documents provided by the Township. All quotes and tender bids shall be in writing. Each supplier shall have one opportunity to provide their quotation and their tender bid.
- 5.9. The Treasurer shall monitor compliance with these policies and shall inform the CAO or Port General Manager when non-compliance has occurred.

- 5.10. In the absence of the Treasurer, the CAO shall assume the responsibilities of the Treasurer under this by-law.
- 5.11. Notwithstanding any other provisions of this Policy, the acquisition of the items listed in Schedule "A" do not fall under the guidelines of the Purchasing Policy and shall be subject to applicable Policies and Procedures established from time to time.

## **6. Budgetary Controls, Authorities and Spending Limits**

- 6.1. Council has the ultimate authority for all expenditures. Council delegates this authority by the authorization of budgets or by specific resolutions. The Treasurer or Port Office Manager cannot pay for any item that has not been authorized by Council through budget appropriation or specific resolution. The policy provides guidelines outlining the spending authorities.
- 6.2. All expenditures shall be within the current approved budget or within approved estimates; otherwise, prior approval of Council shall be required. The Department Head or Treasurer shall not approve any expenditure that is not within the approved budget or estimates. In the event that the annual budget has not yet been approved, expenditures can be made provided that the expenditures are within the previous year's budget authority.
- 6.3. All expenditures shall be supported by original invoices, voucher, or requisition forms with satisfactory detail to support the purchase.
- 6.4. All invoices for the Township shall be initialled and assigned the proper account number/name by the respective department head and shall be submitted to the Treasurer for review and approval. Upon review, the Treasurer shall summarize the purchases on an account listing and forward it to Council for review. If a member of Council has a question or concern, he/she shall first contact the Treasurer directly before the meeting to seek clarification.
- 6.5. All invoices for the Port of Johnstown shall be initialled and assigned the proper account number by the Port's Office Manager and shall be submitted to the Port's General Manager for review and approval. Upon review, the Port's Office Manager shall summarize the purchases on an account listing and forward it to the Port Management Committee for review. If a member of the Committee has a question or concern, he/she shall contact the Port General Manager directly before the meeting to seek clarification.
- 6.6. Expenditures are to be paid in accordance with the Delegation of



Authority Policy approved by Council.

- 6.7. Expenditures that exceed the Delegated Authority will be summarized in a listing to be reviewed and approved by Council and the Port Management Committee (if applicable), respectfully before payments are distributed.
- 6.8. All payments for goods and services shall be made by cheque or through electronic payment issued by the Treasurer or the Port Office Manager. An account listing of electronic payments shall be forwarded to Council as per item 6.4 and 6.5 above.
- 6.9. Expenditures required during a declared emergency may be approved by the CAO or the Treasurer and the Mayor or Deputy Mayor in accordance with the approved Delegation of Authority Policy.

With the exception of a declared emergency, any other emergency expenditure not in the approved budget shall be authorized by the following:

- a) the affected Department Head, and
- b) the Treasurer, and
- c) The CAO, and
- d) The Mayor or Deputy Mayor

Expenditures during an operational emergency at the Port of Johnstown may be made by the Port General Manager in accordance with the approved Delegation of Authority Policy.

- 6.10. Department Heads may approve budgeted expenditures with a value of \$30,000.00 or less excluding HST.
- 6.11. All expenditures with a value under \$5,000.00 will be permitted to follow a non-competitive procurement process so as to allow for procurement of lower value goods and services in an efficient and timely manner.
- 6.12. All expenditures with a value over \$5,000.00 and below \$30,000.00 shall require a written quotation, whenever possible, which shall be recorded by the Department Head.
- 6.13. The CAO or Treasurer and the Port General Manager may approve expenditures with a value of \$75,000 or less excluding HST.
- 6.14. All expenditures with a value over \$30,000.00 and below

\$75,000.00 shall require three written quotations, whenever possible, which shall be recorded by the CAO or Treasurer or Port General Manager.

- 6.15. All expenditures exceeding \$75,000 excluding HST and approved in the budget by council shall require the prior approval of Council or the Port Management Committee. If the expenditure is routine in nature and approved in the current year budget, such as annual tenders relating to gravel, salt and road patching, the Department Head along with the CAO, Treasurer or Port General Manager can award the tender and report back the results to Council or the Port Management Committee.
- 6.16. All expenditures in excess of \$75,000 shall be contracted where deemed necessary.
- 6.17. Procurement methods are summarized in Schedule "B" to this policy.
- 6.18. Purchases may be made from a single source without quotations or tenders where;
  - a) the compatibility of a purchase with existing equipment and/or facilities is of paramount consideration or there is no substitute for the replacement parts or components and that purchase must be made from a single source.
  - b) an item is purchased for testing or trial use.
  - c) the goods and services are in short supply due to market conditions.
  - d) a product is leased or rented by the Township with a credit purchase option, and there is documented evidence that the extension or reinstatement of an existing contract would be beneficial or most cost effective to the Township.
  - e) the consideration for a purchase is to be paid by a third party and that third party agrees to or designates the contractor.
  - f) engagement of experts on an ad hoc basis sought to provide specific advice to Council.
  - g) only one bid/proposal is received through the procurement process and it is impractical to recall the requirements of the call for quotations/proposals.
- 6.19. Sole source procurement may be permitted if a specialized item or service is required which is only available from one vendor. The requisitioning department will require the written approval from the CAO and Treasurer or Port General Manager before proceeding. All purchases shall be authorized in accordance to purchasing authorities

set out in Schedule "B" based on the dollar value of the sole source procurement.

6.20. A formal bid solicitation process may be waived and the CAO, Port General Manager or a Department Head may purchase by negotiation with one or more suppliers under the following conditions:

- a) the required goods or services are in short supply;
- b) competition is precluded due to the existence of any patent right copyright, technical secret or control of raw material;
- c) a sole source is being recommended;
- d) two (2) or more identical bids are received;
- e) the lowest compliant bid received meeting all specifications exceeds the budget amount;
- f) the extension of an existing contract would be more cost effective;
- g) only one (1) bid is received to a bid solicitation;
- h) there is Council authorization to do so.

6.21. Procurement by means of a lease or finance agreement is addressed separately in Schedule "D" of this policy.

6.22. Where goods and services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to:

- a) The identification and availability of sufficient funds in appropriate accounts for the current year within Council approved estimates, and
- b) the requirement for the goods or services will continue to exist in subsequent years and, in the opinion of the Treasurer, the required funding can reasonably be expected to be made available.

6.23. Staff may request a material supply list to assist with the procurement process.

## **7. Request of Quotation- RFQ or Request for Tender- RFT Procedures (Values of over \$75,000)**

7.1. All quotations and tenders called and specifications pertaining thereto shall be prepared under the supervision of the CAO, Port General Manager or Treasurer.

- 7.2. Except in cases of emergency a minimum of ten days shall elapse from the date of the first insertion of an advertisement or other action initiated to the closing date of all quotations and tenders called.
- 7.3. All written quotations and tender bids shall be received in sealed envelopes, clearly marked, and directed to the Treasurer, or Port Office Manager or designate for safekeeping until the opening of the quotations or tenders.
- 7.4. All quotations and tenders shall be opened publicly at a predetermined time in the presence of the Clerk or Treasurer or Port Office Manager or designate, and the Department Head or designate.
- 7.5. All quotations or tender bids shall include the qualification that the “lowest compliant bid or any quotation or tender bid may not necessarily be accepted”.
- 7.6. Awards shall be made to the lowest compliant bid. In determining the lowest compliant bidder consideration may be given, in addition to the price, the bidder's:
  - a) Ability and experience to perform in accordance with the terms of the request;
  - b) Record of past performance;
  - c) Financial and technical resources;
  - d) Quality of bid.
- 7.7. Bid irregularities will be dealt with as outlined in Schedule “C”.

## **8. Disposal of Surplus Goods**

- 8.1. Where any goods or equipment are considered to be surplus to the needs of the municipality, the Department Head shall issue a report to Council to recommend/advise the item(s) to be surplus, except where the replacement of goods has already been approved as a trade in as part of the procurement process.
- 8.2. All surplus items shall first be offered to other Departments within the Township. Upon this first step, surplus assets can be offered outside of the Township to public sector agencies and charitable organizations within the Township or County. Surplus assets may be donated to non-profit agencies for educational or teaching purposes only. Donated items shall not be re-sold.
- 8.3. Surplus items may be disposed of through public auction, internet offering, tender, quotation sealed bid or trade in, whichever is in the best

interest of the municipality at the discretion of the Department Head as approved by the CAO or Port General Manager and Council to ensure all transactions meet pecuniary interest legislation.

- 8.4. All identifying markings on Township assets must be removed prior to disposal.
- 8.5. All assets shall be sold on an as is, where is basis and without warranty or guarantee. The new owner shall assume all risk and expense associated with these assets. At least one year of CVOR records shall be included with the surplus vehicles.
- 8.6. The Department Head who has the responsibility of declaring goods surplus, or for sending items for a public action shall not bid on or personally obtain any goods that have been declared as surplus.
- 8.7. No Council member, employee or volunteer shall be permitted to receive surplus or obsolete goods except by purchase at public auction or sealed bid.
- 8.8. An information report shall be submitted to Council annually listing all surplus items disposed of, the method of which they were disposed of and the value obtained for each item.
- 8.9. Where the disposed item has limited market value, the Department Head may, to the benefit of the municipality, dispose of the item as scrap or in a manner other than the ones listed above in 8.2.
- 8.10. Any revenue from the sale of disposed surplus goods shall be credited to the appropriate account by department.

## **SCHEDULE “A”**

### **GOODS AND SERVICES “EXEMPT” from PROVISIONS OF THE PROCUREMENT POLICIES**

#### **1. Petty Cash Items**

#### **2. Training and Education**

- a) Registration for Conferences, courses, conventions and seminars
- b) Memberships
- c) Periodicals, subscriptions and magazines
- d) Staff training, development, and workshops

#### **3. Employee/Council Expenses**

- a) Advances
- b) Meal allowances
- c) Travel & Hotel accommodation
- d) Miscellaneous – Non-Travel

#### **4. Employer’s General Expenses**

- a) Payroll deduction remittances
- b) Licences (vehicles, elevators, radios, etc.)
- c) Debenture payments
- d) Tax remittances
- e) Charges to/from other Government or Crown Corporations
- f) Council and Employee income

#### **5. Professional and Special Services**

- a) Committee fees/Honoria
- b) Witness fees
- c) Court reporters’ fees
- d) Arbitrators
- e) Legal settlements
- f) Policing contract costs
- g) County, education and conservation authority levies
- h) Insurance Premiums

#### **6. Utilities**

- a) Postage
- b) Water and sewer charges
- c) Heat/Hydro/Natural Gas
- d) Cable television charges
- e) Telephone and Internet Services
- f) Any payments required to be made by the Township under statutory authority.

## **SCHEDULE “B”**

### **METHODS OF PROCUREMENT – SUMMARY TEMPLATE**

The following are authorized procedures for the procurement of goods, services and construction not available from pre-existing agreements.

<b>VALUES</b>	<b>TYPE OF QUOTATION</b>	<b>SOURCE OF BIDS</b>	<b>TYPE OF CONTRACT</b>	<b>APPROVAL AUTHORITY</b>
<b>Under \$5,000</b>				Department Head
<b>\$5,000 to 30,000</b>	Written quotation	Purchases made from the competitive marketplace where possible and practicable		Department Head
<b>\$30,000 to 75,000</b>	Written quotation including response sheet	Minimum of three solicited quotations where possible		CAO, Treasurer, Port General Manager
<b>Over \$75,000</b>	Tender or written quotation including response sheet	Advertise on website and local newspaper minimum	Executed contract where it is deemed necessary	Council / Port Management Committee

Quotations are to be requested where products and services are as standardized and as commoditised as possible. Quotations are solicited from potential suppliers and should contain in detail a list or description of all relevant parameters of the intended purchase.

A tender is an open invitation for suppliers to respond to a defined need.

## **SCHEDULE “C”**

### **BID IRREGULARITIES**

#### **BID IRREGULARITY**

A bid irregularity is a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response.

For the purposes of this policy, bid irregularities are further classified as “major irregularities” or “minor irregularities”.

A “**major irregularity**” is a deviation from the bid request that affects the price, quality, quantity or delivery, and is material to the award. If the deviation is permitted, the bidder could gain an unfair advantage over competitors. The Clerk or Treasurer or their designate must reject any bid, which contains a major irregularity.

A “**minor irregularity**” is a deviation from the bid request, which affects form, rather than substance. The effect on the price, quality, quantity or delivery is not material to the award. If the deviation is permitted or corrected, the bidder would not gain an unfair advantage over competitors. The Clerk or Treasurer or their designate may permit the bidder to correct a minor irregularity.

#### **MATHEMATICAL ERRORS – RECTIFIED BY STAFF**

The Treasurer will correct errors in mathematical extensions and/or taxes, and the unit prices will govern. The responsibility for correcting mathematical errors may be delegated to the requisitioning department.

#### **ACTION TAKEN:**

The Treasurer and the Department Head will be responsible for all action taken in dealing with bid irregularities, and acts in accordance with the nature of the irregularity:

- major irregularity (automatic rejection)
- minor irregularity (bidder may rectify)
- mathematical error (additions or extensions) as above

In the event that the vendor withdraws his/her bid due to the identification of a major irregularity, the municipality may disqualify such vendor from participating in a municipal quotations/tender/request for proposal for a period of up to one year.



## SCHEDULE “C”, continued

### BID IRREGULARITIES

ITEM	DESCRIPTION	MAJOR	MINOR	ACTION
1.	Late bids, by any amount of time	X		Automatic rejection
2.	Bids completed in pencil	X		Automatic rejection
3.	Bid surety not submitted with the bid when the bid request or any addenda indicated that such surety is required	X		Automatic rejection
4.	Execution of agreement to bond: a. Bond company corporate seal or equivalent proof of authority to bind company or signature missing b. Surety company not licensed to do business in Ontario	X		Automatic rejection
5.	Execution of bid bond: a. corporate seal or equivalent proof of authority to bind company or signature of the bidder or both missing b. corporate seal or equivalent proof of authority to bind company or signature of bonding company missing	X		Automatic rejection
6.	Other bid security: Cheque which has not been certified	X		Automatic rejection
7.	Bidders not attending mandatory site meeting	X		Automatic rejection
8.	Unsealed bid envelopes	X		Automatic rejection
9.	Proper response envelope or label not used		X	Acceptable if officially received on time
10.	Pricing or signature pages missing	X		Automatic rejection
11.	Insufficient financial security (i.e.: no deposit or bid bond or insufficient deposit)	X, or	X	Where security is required and amount is not specified in request, automatic rejection unless insufficiency is trivial or insignificant Where security is required and amount of security is specified in request, automatic rejection
12.	Bid received on documents other than those provided in request	X		Not acceptable unless specified otherwise in the request
13.	Execution of Bid Documents	X		Automatic rejection

	- proof of authority to bind is missing			
<b>ITEM</b>	<b>DESCRIPTION</b>	<b>MAJOR</b>	<b>MINOR</b>	<b>ACTION</b>
14.	Part bids (all items not bid)	X, or	X	Acceptable unless completed bid has been specified in the request
15.	Bids containing minor clerical errors		X	2 working days to correct initial errors. Municipality reserves the right to waive initialling and accept bid.
16.	Uninitialed changes to the request documents which are minor (i.e.; the bidder's address is amended by overwriting but not initialled)		X	2 working days to correct initial errors. Municipality reserves the right to waive initialling and accept bid.
17.	Alternate items bid in whole or in part		X	Available for further consideration unless specified otherwise in request
18.	Unit prices in the schedule of prices have been changed but not initialled		X	2 working days to correct initial errors. Municipality reserves the right to waive initialling and accept bid.
19.	Other mathematical errors which are not consistent with the unit prices		X	2 working days to correct initial corrections. Unit prices will govern.
20.	Pages requiring completion of information by vendor are missing.	X		Automatic rejection.
21.	Bid documents which suggest that the bidder has made a major mistake in calculations or bid	X, or	X	Consultation with a solicitor on a case-by-case basis.



## **SCHEDULE “D”**

### **PROCUREMENT BY FINANCE OR LEASE**

Financing or leases for goods or services are to be negotiated by the Treasurer or CAO or Port General Manager and the Department Head. Financing arrangements or leases extending beyond the current budget year shall require budget approval. As a general principle, financing or leasing shall be considered when the following conditions are applicable:

- When the expenditure of the goods or services is less than the purchase of the goods and services
- The residual payment on the lease is negligible or justification can be made to accept a residual payment that is higher.

Financing or leasing will be treated in the same manner as purchasing, based upon the retail value of the loan or lease payment (e.g. a \$25,000 vehicle will be purchased through the bid process, even though the annual payment is less than the amount required to go quotation.)

At the expiration of a lease, replacement goods or product must be re-quoted or re-bid. Automatic “roll-over” of a lease payment into a new product must be authorized in accordance with Schedule “B”.

Subject to Schedule “B”, where Council approval is required, the report to Council recommending the entering into a financing or leasing agreement will require the Department Head to include the following information:

- Value of product or service if being purchased
- Length of the loan or lease
- Monthly and annual loan or lease payments
- Residual amount
- Interest rate

Once a loan or lease has been negotiated and approved, a copy of the loan or lease and documents must be forwarded to the Treasurer or Port Office Manager.