

POLICY MANUAL	Policy No. 112-2026
Township of North Dundas	Effective Date: February 25, 2026
Subject: Procurement Policy	

1.0 Purpose and Objectives

The purpose of this Policy is to establish the authority and standards for the acquisition of goods, services, and construction. The Township shall conduct procurement activities in compliance with all applicable domestic and international Trade Agreements as well as all applicable federal and provincial legislation. Where a conflict exists between this Policy and a mandatory requirement of an applicable Trade Agreement or Statute, the strict requirement of the Agreement or Statute shall prevail, except where valid exemptions or non-application provisions under those agreements are exercised by the Township.

2.0 Application

This Policy applies to all purchases of goods and services made by all departments, boards, and committees of the Township of North Dundas.

3.0 Procurement Principles

Staff and officials are required to adhere to the following core principles:

3.1 Best Value Procurement decisions shall aim to achieve optimal value by balancing quality, performance, service, and total lifecycle cost.

3.2 Integrity, Fairness, & Ethical Conduct The Township is committed to a procurement process that is open, transparent, and defensible. To maintain public trust and ensure best value, all staff and officials shall adhere to the following standards:

- i. **Equitable Treatment:** All vendors shall be treated fairly and without bias. Decisions must be based on clear, predetermined criteria and conducted in a competitive manner, except where otherwise permitted by this Policy.
- ii. **Impartiality & Conflict of Interest:** Participants must act with strict impartiality, avoiding any activity or relationship that creates, or appears to create, a conflict of interest. Any such conflicts must be immediately disclosed and managed.

- iii. **Prohibition on Gifts:** To preserve the integrity of the process, the acceptance of gifts, favours, hospitality, or personal benefits from current or potential suppliers is strictly prohibited, except for items of nominal value (e.g., pens, notepads).
- iv. **Confidentiality & Public Access:** The integrity of the bid process shall be preserved by maintaining the confidentiality of evaluation discussions and proprietary vendor information. However, the Township is subject to the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and applicable Trade Agreements. The Township cannot guarantee strict confidentiality of any information that is not statutorily exempt from disclosure.

3.3 Accountability & Compliance All procurement activities must be auditable and strictly compliant with applicable legislative requirements, the *Delegation of Authority Bylaw*, and internal policies. All participants have a positive duty to report any suspicions of collusion, bid rigging, or any other irregularities or breaches of ethical standards to the Treasurer or CAO immediately.

4.0 Governance & Authority

Council's primary role is to approve the budget and set the governance framework (this Policy). Council delegates the authority to staff to execute purchases that are within the approved budget (including authorized reallocations) and comply with this Policy.

The CAO and Treasurer are authorized to establish, maintain, and amend administrative procurement procedures to implement this Policy. These procedures shall govern the operational mechanics of procurement, including but not limited to:

- **Standardization:** The development and mandatory use of standard forms, templates, contracts, and solicitation documents (e.g., RFP, RFQ, Tender);
- **Bid Administration:** Protocols for the issuance, receipt, and opening of bids, including the use of electronic bidding platforms;
- **Evaluation:** Detailed scoring methodologies, evaluation committee protocols, and the debriefing of unsuccessful bidders;
- **Vendor Validation:** The specific requirements for collecting and verifying vendor documentation, including Certificates of Insurance, WSIB clearance, and bonding;
- **Inter-Departmental Purchasing:** Establishing the authority and conditions for a Department Head to procure goods or services charged to another department's budget to ensure operational continuity.

5.0 Procurement Thresholds & Methods

Procurement shall be conducted in accordance with the Authority Matrix below, except where an Alternative Procurement method is permitted under Section 6.0. The method selected must correspond to the Total Estimated Value of the contract.

5.1 Authority Matrix

Procurement Value (Excl. Taxes)	Procurement Method	Minimum Requirement	Approval Authority (Budgeted)
\$0 up to \$10,000	Direct Purchase	Market Check / 1 Quote / P-Card	Department Head (or Designate)
\$10,000 up to \$25,000	Informal Quote	2-3 Written Quotes (Email acceptable)	Department Head
\$25,000 up to \$100,000	Invitational or Open Bid	3 Written Quotes or Request for Proposal	Department Head + Treasurer Consulted
\$100,000 and above	Open Competitive	Public Tender / Request for Proposal	Department Head + Treasurer Consulted

5.2 The "Market Check" (\$0 - \$10,000): For low-value purchases, formal quotes are not required. Staff shall demonstrate a "Market Check" (e.g., comparing online prices or standard catalogue pricing) to ensure fair value.

5.3 Informal Process (\$10,000 - \$100,000): Staff shall attempt to obtain at least three (3) written quotes. If three vendors are invited but fewer than three respond, the process is considered valid, provided fair market value is demonstrated. Staff may invite specific known capable vendors rather than posting publicly, provided the value is below the Trade Agreement thresholds.

5.4 Professional Services (Consultation Requirement): The Municipality recognizes that the procurement of Professional Services (e.g., Audit, Legal, Banking, Consulting) often requires an evaluation of qualitative factors beyond price (Risk, Methodology, Experience). Regardless of the estimated dollar value, Department Heads shall employ professional judgement prior to initiating a procurement for Professional Services to determine the appropriate method (e.g., Informal Quotes vs. Formal Request for Proposal).

6.0 Alternative Procurement

6.1 General Exemptions from Competitive Procurement: Competitive procurement is not required for:

- (i) Vendor of Record: the supplier has been pre-qualified through a previous competitive process (Roster).
- (ii) Utilities & Monopolies: including hydro, natural gas, postage, rail crossings, regulatory fees (TSSA, ESA).
- (iii) Donations & Grants: Grants, donations, and contributions to external agencies specifically approved in the Budget or by Council resolution.
- (iv) Training & Travel: Conferences, courses, seminars, and related accommodations/travel.
- (v) Subscriptions / Renewals: Magazines, periodicals, software subscriptions/renewals.
- (vi) Real Estate: Acquisition, leasing, or disposal of land and buildings.
- (vii) Mandatory Employment Related Costs: including pension, payroll remittances, WSIB, etc.
- (viii) Government Agencies: Payments to Federal, Provincial, or other Municipal bodies (e.g., Health Unit, Conservation Authority levies).

6.2 Waiver of Competitive Process (Sole Source): The CAO may waive the requirement for competitive bids under the specific conditions listed below. To do so, the CAO must determine that the supplier provides unique value, proprietary methodology, or that a waiver is in the Township's best interest. Any sole source procurement exceeding Trade Agreement thresholds shall be reported to Council at the next available meeting.

- (i) Emergency: an immediate threat to public health, safety, or essential services exists.
- (ii) Standardization & Compatibility: the purchase is required to maintain consistency with existing equipment, software, or systems, and switching suppliers would result in substantial duplication of costs, operational inefficiency, or incompatibility. For purchases of this nature exceeding any Trade Agreement thresholds, an Advance Contract Award Notice (ACAN) shall be posted on a public tendering service for an appropriate minimum period.
- (iii) Funding Deadlines: The procurement is funded by a third-party grant where the deadline is insufficient to complete a standard competitive process, and failure to execute would result in the forfeiture of significant funds.

- (iv) Spot Market: The goods are purchased under exceptionally advantageous conditions that only arise in the very short term (e.g., Auction, Liquidation).

6.3 Cooperative Purchasing: The Municipality is authorized to participate in cooperative purchasing initiatives and to utilize valid standing offers or Vendor of Record (VOR) arrangements established by other government entities or Buying Groups (e.g., LAS, Canoe, OECM), provided such participation is deemed to be in the best interest of the Municipality.

Where the Municipality participates in a cooperative procurement conducted by another government entity or Buying Group, the procurement process followed by that entity shall be deemed to satisfy the requirements of this Policy, provided that:

- The procuring entity has documentation or assurance confirming the process was conducted in a fair, open, and competitive manner consistent with the principles the prevailing Trade Agreements and legislation;
- The resulting contract explicitly permits the Municipality to access the goods/services at the same terms and pricing.

To ensure compliance with Trade Agreements, the Municipality shall publish a Notice of Participation on its website or tendering platform listing the Buying Groups in which it actively participates.

6.4 Contract Amendments & Change Orders: Contract Amendments (Change Orders) to an existing contract are permitted without a new procurement process provided that all of the following conditions are met:

- i. Budget Availability: Sufficient funds exist within the approved project budget (including any authorized transfers under the *Delegation of Authority Bylaw*);
- ii. Related Scope: The additional work is directly related to the original scope and is not a separate, unrelated capital acquisition; AND
- iii. Trade Agreement Compliance: The cumulative value of the amendment does not cause the total contract value to exceed a Trade Agreement threshold for a public tender, unless the original contract was already awarded through a public tender process.

6.5 Purchasing Cards: The Treasurer is authorized to establish a P-Card Program to maximize efficiency for low-value, high-volume transactions. The use of P-Cards is subject to strict controls as may be defined in the administrative procedures.

7.0 Evaluation and Award

7.1 Basis of Award: The Township is not bound to accept the lowest bid. Awards may be made based on Best Value.

7.2 Right to Reject or Cancel: The Township reserves the right to:

- Reject any or all bids;
- Cancel a solicitation at any time without award;
- Negotiate with the preferred bidder where:
 - Budget Overage: The lowest compliant bid exceeds the approved budget;
 - RFP Process: The solicitation document permits negotiation to improve the value or clarify the scope of the proposal.
- Waive minor irregularities or informalities in a bid that do not materially affect the price or fairness of the process.

7.3 Vendor Suspension & Performance: The Township reserves the right to suspend or disqualify a supplier from participating in procurement opportunities for a defined period (e.g., 1 to 5 years) where the supplier has demonstrated poor performance, unethical conduct, or where a commercial dispute exists.

Specific grounds for suspension include, but are not limited to:

- (i) Litigation: The supplier is involved in active litigation against the Township;
- (ii) Performance: Documented failure to honor contractual obligations, deadlines, or health and safety standards; or
- (iii) Ethics: Evidence of collusion, conflict of interest, or providing false information.

7.4 Tie Bids: In the case of any tie bids, the successful Bidder will be determined by a draw, conducted by the applicable Department Head and a second Township employee. The tied Bidders may be present, if they wish to attend.

7.5 Bid Disputes: Suppliers wishing to challenge the outcome of a procurement process must do so in writing to the CAO within 10 days of the award notice. The CAO's review of the complaint shall be final.

8.0 Version:

8.1 Previous Policy Rescinded Policy 96-2023 (Purchasing Policy) and all its amendments are hereby rescinded. Any reference to the rescinded policy in other Municipal policies or documents shall be deemed to refer to this Policy.

8.2 Transitional Provisions Notwithstanding the rescinding of Policy 96-2023, any procurement process that commenced prior to the effective date of this Policy shall continue to be governed by the provisions of the rescinded Policy until the contract is awarded or the solicitation is cancelled.

8.3 Effective Date This Policy shall come into force and take effect immediately upon its adoption by Council.