

# Council Policy By-Law

A.-6151-17 – in force and effect January 1, 2008

Consolidated as of July 24, 2018

## As Amended by:

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**London**  
CANADA

**OFFICE CONSOLIDATION  
INCLUDING AMENDMENT A.-6151(x)-446 (July 24, 2018)**

Bill No. 28  
2008

By-law No. A.-6151-17

A By-law to establish policies for the sale and other disposition of land, hiring of employees, procurement of goods and services, public notice, accountability and transparency, and delegation of powers and duties, as required under section 270(1) of the *Municipal Act, 2001*.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 270(1) of the *Municipal Act, 2001* requires that a municipality adopt and maintain policies with respect to the sale and other disposition of land; hiring of employees; procurement of goods and services; circumstances in which the municipality shall provide notice to the public and, if notice is to be provided, the form, manner and times notice shall be given; the manner in which the municipality will try to ensure that it is accountable to the public for its actions and the manner in which the municipality will try to ensure that its actions are transparent to the public; and, the delegation of its powers and duties;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The following attached policies be hereby implemented:

Schedule "A" – Sale and Other Disposition of Land Policy

Schedule "B" – Hiring of Employees Policy

Schedule "C" – Procurement of Goods and Services Policy

Schedule "D" - Appointment of Consulting Services Policy (Repealed eff.  
Nov 23/09)

Schedule "E" – Public Notice Policy

Schedule "F" – Accountability and Transparency to the Public Policy

Schedule "G" – Delegation of Powers and Duties Policy

2. By-Law No. L.S.P.-3350-104 being "A by-law to provide for procedures for the sale of land owned by the Corporation of the City of London", and all of its amendments, are hereby repealed.

3. Council Policies 20(5) being the "Determination of Sale Price Policy", 20(13) being the "Commissions for Industrial Land Sales Policy", 20(15) and 20(15A) being the "Sale of Industrial Lands Policy" and its associated appendix, 20(25) being the "Pricing of Industrial Lands Policy", 20(26) being the "Exchange of Lots in Trafalgar Woods Subdivision Policy" are hereby rescinded.

4. Council Policy 21(1) being the "Purchasing and Materials Management Policy" is hereby rescinded.

5. Council Policy 7(9) being the “Selection of Consulting Engineers Policy” and all of its appendices are hereby rescinded.
6. By-law No. A.-5878-105 being “A by-law for the purpose of giving Public Notice pursuant to the *Municipal Act*, 2001 c.25, s.251” and all of its amendments are hereby repealed.
7. This by-law shall come into force and effect on January 1, 2008.

PASSED in Open Council on December 17, 2007.

Anne Marie DeCicco-Best  
Mayor

Kevin Bain  
City Clerk

First reading – December 17, 2007  
Second reading – December 17, 2007  
Third reading – December 17, 2007

## Schedule "A"

**Policy Name:** Sale and Other Disposition of Land Policy

**Legislative History:** Adopted December 17, 2007 (By-law No. A.-6151-17)

**Last Review Date:** June 25, 2018

**Service Area Lead:** Manager, Realty Services

### 1. Policy Statement

The City will dispose of surplus land in an open and transparent process to ensure that the consideration for such disposal is fair, reasonable and in the best interest of the City.

### 2. Definitions

2.1. **Appraisal** - means a fair market valuation of the land that is satisfactory to the Manager of Realty Services.

2.2. **Disposition** - means the sale, transfer, conveyance or exchange of the fee simple interest in land or the granting of a lease for a term of twenty-one (21) years or longer, and does not include the granting of an easement or right of way, and "disposal" shall have a similar meaning;

2.3. **Land** - means real property owned by the City;

2.4. **Surplus** - means property that the City no longer requires to meet its current or future needs;

### 3. Applicability

This policy applies to the sale or other disposal of land by The Corporation of the City of London (the City).

This policy does not apply to the sale or other disposition of land by the City to the Housing Development Corporation, London.

### 4. The Policy

The following procedures shall apply to the disposal of real property by the City. Prior to the disposal of any real property by the City of London which has the potential for development as affordable housing, the Housing Development Corporation will be provided with the opportunity to advise Council if the property should be retained by the City or transferred to the Housing Development Corporation for affordable housing purposes.

#### 4.1. Declaration of Surplus Property

- a) Prior to the disposal of land by the City, the Municipal Council shall declare the land to be surplus in the following manner:
  - i) the City Treasurer, upon the advice of the Manager of Realty Services will submit a report to the appropriate Standing Committee recommending that the land in question be declared surplus to the needs of the City;
  - ii) where the appropriate Standing Committee deems it advisable to adopt the recommendation of the City Treasurer with respect to declaring any land owned by the City to be surplus, the Standing Committee will submit a recommendation to the Municipal Council recommending that the land in question be declared surplus to the needs of the City;
  - iii) where the Municipal Council deems it advisable to adopt any recommendation from the Standing Committee with respect to declaring any land owned by the City surplus;
  - iv) the Municipal Council will, in a meeting open to the public, pass a resolution declaring any such land surplus to the needs of the City.
- b) Notwithstanding the foregoing, the following classes of land are exempt from the requirement to declare such land surplus prior to its disposal:

- i) all land owned by the City that is zoned for industrial uses;
- ii) all cemetery plots owned by the City;
- iii) any land transferred to the City for security or for temporary roads or other works in connection with any agreement to which the City is a party under the *Planning Act*, R.S.O. 1990, c. P. 13 as amended.

#### 4.2. Appraisal

- a) The City, before disposing of land, shall obtain at least one appraisal of the land to be disposed of.
- b) Notwithstanding the foregoing, the following classes of land are exempt from the requirement to obtain an appraisal prior to its disposal:
  - i) land 0.3 metres or less in width acquired in connection with an approval or decision under the *Planning Act*;
  - ii) closed highways, roads and road allowances;
  - iii) land formerly used for railway branch lines if sold to an owner of land abutting the former railway land;
  - iv) land that does not have direct access to a highway if sold to the owner of land abutting that land;
  - v) land repurchased by an owner in accordance with Section 42 of the *Expropriations Act*;
  - vi) land to be used for sites for the establishment and carrying on of industries and of industrial operations and incidental uses;
  - vii) cemetery plots;
  - viii) disposal to a local board as defined in the *Municipal Affairs Act*;
  - ix) disposal to an authority under the *Conservation Authorities Act*; and
  - x) disposal to the Crown in Right of Ontario or of Canada and their agencies.

#### 4.3. Notice

- a) Upon the Municipal Council having declared land surplus to the needs of the City but before any such land is disposed of by the City, the City Clerk will give notice to the public of the intention of the City to dispose of the land in question.
- b) Where the land to be disposed of is, in the opinion of the Manager of Realty Services, developable as a separate parcel of land, the notice referred to in paragraph 4.3. a) shall be in the following forms:
  - i) publication once of an advertisement in a newspaper of general circulation;
  - ii) the posting of a "For Sale" sign on the land in question; and
  - iii) posting a notice on the City of London "Web Site".
- c) Where the land being disposed of is, in the opinion of the Manager of Realty Services, not developable except in conjunction with other adjacent land, the notice referred to in paragraph 4.3. a) may be in one or more of the forms identified in paragraph 4.3. b) of this Policy.
- d) Notwithstanding the foregoing, no notice to the public of the proposed disposal of any land zoned for industrial uses is required, other than the general marketing of such land by the Manager of Realty Services.

#### 4.4. Methods of Sale

Depending on the nature of the land, various methods may be employed for the disposal of land including, public auction; tender process; listing through the Multiple Listing Service, direct advertising; through direct negotiations with an abutting property owner; or through other direct negotiations when authorized by Municipal Council. The City Treasurer, upon the advice of the Manager of Realty Services, shall be responsible for determining the appropriate method of sale.

#### 4.5. Procedures for Disposal of Industrial Land

- a) In addition to the requirements set out in Sections 4.1. to 4.6. inclusive of this policy, the disposal of serviced industrial land owned by the City will be undertaken in accordance with the applicable part or parts of the Sale of Land Procedures set out in Section 4.10. of the policy.
- b) The sale price for serviced industrial land as adopted by Municipal Council is as set out in Section 4.11. of this policy.
- c) The fee to be paid to Real Estate Agents properly involved in the disposition of City-owned industrial land shall be as set out in Section 4.12. of this policy.

#### 4.6. Procedures for Disposal of Proposal Call

In addition to the requirements set out in Sections 4.1. to 4.6. inclusive of this policy, the disposal of land by proposal call shall be in accordance with the procedures set out in Section 4.13. of the policy.

#### 4.7. Procedures for Disposal of Public Tender

In addition to the requirements set out in Sections 4.1. to 4.6. inclusive of this policy, the disposal of land by public tender shall be in accordance with the procedures set out in Attachment "E" of the policy.

#### 4.8. Procedures for Disposal by Direct Negotiation

In addition to the requirements set out in Sections 4.1. to 4.6. inclusive of this policy, the disposal of land by direct negotiation shall be in accordance with the procedures set out in Section 4.15. of this policy.

#### 4.9. Procedure for Disposal by Public Auction

In addition to the requirements set out in Sections 4.1. to 4.6. inclusive of this policy, the disposal of land by public auction shall be in accordance with the procedures set out in Section 4.16. of this policy.

#### 4.10. Attachment "A"

##### Disposal of Industrial Land Procedures

- 4.10.1. The purpose of this policy is to establish the terms upon which City-owned serviced industrial land is to be sold and transferred.
- 4.10.2. This policy is to be read and applied fairly and beneficially with such variations as circumstances or the nature of the subject matter require provided the general purpose, intent, meaning and spirit of the policy are maintained.
- 4.10.3. In this policy,
  - a) Commencement of construction means the date upon which a building permit is issued by the City;
  - b) Completion of construction is reached when the building or structure or a substantial part thereof is ready for use or is being used for the purpose intended, and;

- c) Coverage has the meaning ascribed to it under the applicable zoning by-law.

#### Class 1 Sale

- 4.10.4. A class 1 sale is a sale of a land for the purpose of the construction thereon of a building or structure for a detached industrial use.
- 4.10.5. A class 1 sale shall be subject to the following conditions:
  - a) The purchaser shall commence construction within one year of the registration of the deed or transfer and shall diligently complete construction of the building or structure, in default of which the purchaser shall in the sole discretion of the City reconvey the land to the City in accordance with Section 4.10.18. of this policy and free and clear of all encumbrances, easements, restrictions or covenants except as to those originally assumed by the purchaser from the City.
  - b) The minimum coverage of the building or structure shall be 15 per cent, provided however that, where the maximum coverage permitted under the applicable zoning by-law is 15 percent or less, the maximum coverage under the zoning by-law shall be deemed to be the minimum coverage required by this condition.
  - c) The purchaser shall not within 10 years of the registration of the deed or transfer convey any vacant part of the land by deed, transfer, grant, assignment, appointment, mortgage, charge, lease or sub-lease (Planning Act, R.S.O. 1990, Chapter P .13), without first notifying the City and, where it has been so notified, the City may either grant its consent (which shall not be unreasonably withheld) to the conveyance or application or may in its sole discretion require the purchaser to reconvey the vacant part to the City in accordance with Section 4.10.18. of this policy and free and clear of all encumbrances, easements, restrictions or covenants except as to those originally assumed by the purchaser from the City.
  - d) The purchaser shall pay local improvement charges and any other special levies assessed at any time against the land on and after completion of the purchase.
- 4.10.6. The Manager of Realty Services may grant one or more extensions (which in total shall not exceed two years) of the time set out in paragraph (a) of Section 4.5. of this policy within which construction of a building or structure is to be commenced provided the purchaser has filed a written request with the Manager of Realty Services for the extension.
- 4.10.7. A purchaser wishing to notify the City under condition (c) of Section 4.5. of this policy shall file a written request with the Manager of Realty Services who shall submit a recommendation thereon to Council through Board of Control.

#### Class 2 Sale

- 4.10.8. A class 2 sale is a sale of a land for the purpose of the extension or enlargement of a building or structure erected or to be erected upon land of the purchaser abutting the land.
- 4.10.9. A class 2 sale shall be subject to conditions (c) and (d) of Section 4.5 of this policy and the further condition that the land shall not be used for any purpose other than the extension or enlargement of a building or structure erected or to be erected upon lands of the purchaser abutting the land.

#### Class 3 Sale

- 4.10.10. A class 3 sale is a sale that is not a class 1 or class 2 sale and that is a sale of a land for the purpose of a use ancillary to a building or structure erected or to be erected upon land of the purchaser abutting the parcel.

- 4.10.11. A class 3 sale shall be subject to conditions (c) and (d) of Section 4.5. of this policy and the further condition that the land shall not be used for any purpose other than a use ancillary to a building or structure erected or to be erected upon land of the purchaser abutting the parcel.

#### General

- 4.10.12. At least annually, the Manager of Realty Services shall review the pricing of industrial land and if a change in pricing is recommended, shall make a recommendation to Board of Control as to the price per acre at which land should be offered for sale during the ensuing year.
- 4.10.13. Pending receipt of an offer to purchase from a prospective purchaser, land may be reserved for a period of 30 days, provided however that, if during the reserve period the City receives an offer to purchase the same land in accordance with this policy from another prospective purchaser, the first prospective purchaser shall be allowed 5 days after notification within which to submit an offer to purchase at the same price and on the same terms; otherwise the City shall be at liberty to accept the second offer to purchase.
- 4.10.14. A prospective purchaser shall complete and execute an offer to purchase in the form provided by the City accompanied by a deposit payable to the City Treasurer by cash or certified cheque equal to 10 per cent of the total purchase price, and the balance shall be payable subject to usual adjustments upon completion of the transaction.
- 4.10.15. The Manager of Realty Services may submit an offer to purchase for acceptance by the City.
- 4.10.16. The transaction shall be completed within 90 days of the passing of the by-law accepting the offer to purchase or within such further period as may be agreed to between the City Solicitor and the purchaser's solicitor in the best interests of the City.
- 4.10.17. Where, in the City's opinion, land is properly sold through a real estate agent, the City shall pay a fee to the agent not exceeding the scale established by the City upon completion of the transaction but no fee shall be payable if the purchaser is permitted to withdraw from the agreement of purchase and sale prior to the completion of the transaction.
- 4.10.18. Where the whole or any part of land is reconveyed by the purchaser to the City pursuant to a condition of sale or otherwise, the amount payable upon the reconveyance shall be 90 per cent of either the original purchase price (exclusive of interest thereon), if the whole land is reconveyed, or the portion thereof that is in the same ratio as the area of the reconveyed part is to the whole land, subject to adjustments as of the date of reconveyance for taxes, local improvements and other rates and subject, where the City considers necessary, to the City's withholding until a new purchaser is found, an amount sufficient to compensate the City for the cost of restoring the land to its original condition if so required by the new purchaser.
- 4.10.19. The development of the property will be subject to the requirements of the Architectural Control Guidelines as published by the City of London from time to time and the purchaser acknowledges the contents thereof and agrees to conform to those Guidelines.
- 4.10.20. The cost of service connections from the main to the property line is the responsibility of the purchaser.
- 4.10.21. The purchaser accepts the current condition of the site and the cost of removal of topsoil from the site if required is the responsibility of the purchaser.
- 4.11. Attachment "B"

The current pricing levels of all other City industrial parks be established effective June 23, 2016, as follows:



**Pricing for serviced industrial land in Innovation Park, Skyway Industrial Park, River Road Industrial Park, and Cuddy Boulevard Parcels:**

Lots up to 3.99 acres	\$75,000.00 per acre
4.00 acres and up	\$65,000.00 per acre

**Pricing for serviced industrial land in Trafalgar Industrial Park:**

All lot sizes - \$55,000.00 per acre.

**Surcharges to be added as follows:**

Highway 401 Exposure – 15%;  
Veteran’s Memorial Parkway Exposure – 5%; and

The cost of service connections from the main to the property line being the responsibility of the purchaser.

Industrial lots are sold on a where is, as is basis, with grading, stripping and removal of excess topsoil being the purchaser’s responsibility and cost. The City will strive to provide grading of the municipal industrial parks on a level-graded basis. Site specific final grading is the responsibility of a purchaser.

4.12. Attachment “C”

**Real Estate Commissions for Industrial Land**

The fee payable to Real Estate Agents properly involved in the disposal of City owned industrial land be as follows:

- a) Transactions up to \$100,000 - 5%
- b) Transactions up to \$200,000 - 5% for the first \$100,000  
3% above \$100,000 to \$200,000
- c) Transactions over \$200,000 - 5% for the first \$100,000  
3% above \$100,000 to \$200,000  
2% above \$200,000 for remainder

4.13. Attachment “D”

**Disposal of Land – Proposal Call Procedure**

- 4.13.1. Where land, in the opinion of the Manager of Realty Services, may be suitable for major redevelopment, the General Manager of Finance and Corporate Services will recommend that proposal call documents be drafted.
- 4.13.2. When the document has been prepared, notice of the proposal call will be in accordance with the notice provisions of this policy.
- 4.13.3. Sealed proposal calls will be opened at the appointed time in accordance with the City’s tendering policy and referred to the Civic Administration for its consideration and recommendation through the General Manager of Finance and Corporate Services to Board of Control.
- 4.13.4. Further direct negotiations with proponents will be at the direction of Board of Control and Municipal Council.

4.14. Attachment “E”

**Disposal of Land – Public Tender Procedure**

- 4.14.1. The Realty Services Division will forward inquiries to each City Department, local Board or Commission, requesting their opinions as to the potential sale of the land.
- 4.14.2. Where, subject to the inquiry procedure, land is deemed to be surplus to City requirements, the Realty Services Division will suggest a market value for the

land and recommend through the City Treasurer to the appropriate Standing Committee that the Manager of Purchasing be authorized to call tenders for the sale of the land.

- 4.14.3. Notice of the tender call will be in accordance with the notice provisions of this policy.
  - 4.14.4. Offers to Purchase will be opened at the appointed time in accordance with the City's tendering policy.
  - 4.14.5. The terms of sale of such properties will be a deposit of 10% in the form of a certified cheque and/or cash to accompany the offer and cash on closing.
  - 4.14.6. The offers will be referred to the Realty Services Division for review and recommendation through the City Treasurer to the appropriate Standing Committee.
  - 4.14.7. If the successful tenderer is introduced to the land by a realtor, a commission may be payable if appropriate as follows:
    - a) Transactions up to \$100,000 - 5%
    - b) Transactions up to \$200,000 - 5% first \$100,000  
3% between \$100,000 and \$200,000
    - c) Transactions over \$200,000- 5% first \$100,000  
3% between \$100,000 and \$200,000  
2% all amounts above \$200,000, or
    - d) As otherwise approved by Municipal Council.
  - 4.14.8. The payment of commission as provided for in paragraph 8 be payable only in the event that the realtor has:
    - a) Completed and deposited with the Manager of Realty Services, the Realtor Registration Form approved by the City not prior to the calling of each tender and not later than the closing of each tender;
    - b) Obtained the signature of the proposed tenderer on the Realtor Registration Form approved by the City as an acknowledgement of the registration and on the understanding that the payment of the real estate commission may lower the net amount payable to the City which may result in the tender not being accepted;
- 4.15. Attachment "F"

Disposal of Land – Direct Negotiation Procedure

- 4.15.1. The Realty Services Division will send the appropriate inquiries to each relevant City Department, local Board or Commission, regarding their opinions as to the potential sale of the land.
- 4.15.2. When it has been established through the inquiry procedure that a land is surplus to City requirements and when, in the opinion of the Manager of Realty Services, considering the current market value of the land as well as the value of the said lands to the abutting land owners or other prospective purchasers, it is advisable to dispose of the land through direct negotiations, the Realty Services Division will conduct direct negotiations with the abutting owner(s) or other prospective purchasers and report the results and recommendations to the appropriate Standing Committee through the City Treasurer.

4.16. Attachment "G"

Disposal of Land – Public Auction Procedure

- 4.16.1. Where, in the opinion of the Manager of Realty Services, it is advisable to dispose of real property through a public auction, the following procedures shall apply.

- 4.16.2. The Manager of Realty Services shall be authorized to retain a licenced real estate auctioneer to conduct the auction.
- 4.16.3. All costs of advertising being borne by the City on the understanding that the method and format of advertising will be agreed to by the auctioneer and approved by the Manager of Realty Services, prior to publication.
- 4.16.4. The City shall maintain the right to establish a reserve bid based on the results of an internal appraisal on the subject land by City staff, or an external appraisal carried out by an independent appraiser assigned by the City, and on the understanding that the reserve bid will remain confidential until the conclusion of the auction.
- 4.16.5. The conditions of sale being established, in each case, by the City, in conjunction with the Manager of Realty Services and the City Treasurer.
- 4.16.6. The Manager of Realty Services shall report the results of the auction to the appropriate Standing Committee.

## **Schedule “B”**

**Policy Name:** Hiring of Employees Policy

**Legislative History:** Adopted December 17, 2007 (By-law No. A.-6151-17)

**Last Review Date:** June 25, 2018

**Service Area Lead:** Manager, Talent Management

### **1. Policy Statement**

- 1.1. The Corporation of the City of London (“Corporation”) is committed to ensuring that all matters related to recruitment and employment are carried out in a fair and unbiased manner. All applicants will have an equal opportunity for employment in compliance with legislative provisions.

### **2. Definitions**

- 2.1. **Corporation** – refers to The Corporation of the City of London

### **3. Applicability**

- 3.1. This policy applies to individuals including employees of the Corporation, who are applying for positions within the Corporation and employees involved in the Corporation’s hiring and recruitment processes.

### **4. The Policy**

As an employer, the Corporation is committed to workplace diversity and inclusion. Having a wide variety of people in our workplace helps our organization to be more flexible, creative and responsive. It helps us provide better service to our diverse community. The Corporation is committed to building a supportive and diverse workplace, representative of our community.

The Corporation recognizes that every applicant has a right to equal treatment with respect to recruitment and employment without discrimination because of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender identity, gender expression, age, record of offences, marital status, family status or disability.

The Corporation is committed to maintaining accessible hiring and recruitment practices including providing reasonable accommodations in all parts of the hiring process for people with disabilities.

Every bona fide application will be considered by the Human Resources Division.

Applicants having close relatives already employed by the Corporation shall not be excluded from consideration of employment with the Corporation. Prospective new hires or candidates for transfer or promotion must declare during the recruitment and selection process any family relationships with individuals who directly or indirectly supervise or manage the position being applied to. Additionally, existing employees must declare and not participate in or influence any part of the recruitment and selection process where another family member is an internal or external applicant for a position.

It is the expectation of Council that hiring practices and decision making will be centered on transparency, integrity, equal opportunity and will be free from any undue influence.

## **SCHEDULE “C”**

**Policy Name:** Procurement of Goods and Services Policy

**Legislative History:** By-law No. A.-6151-17, Schedule “C”

**Last Review Date:** June 19, 2018

**Service Area Lead:** Manager, Purchasing & Supply

### **1. Policy Statement**

This Policy outlines the processes to be followed in order to obtain the best value when purchasing goods, or contracting services for the Corporation of the City of London.

### **2. Definitions**

Please refer to Section 3 of the attached Appendix “A”.

### **3. Applicability**

Procurement activities shall be subject to all applicable City policies and by-laws, any specific provisions of the Municipal Act, and all other applicable Federal and Provincial legislation.

### **4. The Policy**

Please refer to the attached Appendix “A”

# Appendix "A"

## Procurement of Goods and Services Policy

The Corporation of the City of  
London

**Revised: June 26, 2018**



**London**  
CANADA

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## **Procurement Goals and Objectives**

### **Mission:**

To obtain the right goods and/or services when needed while achieving best value through a transparent, fair and competitive process with a high focus on Customer Service.

- 1.1 This Policy outlines the processes to be followed in order to obtain the best value when purchasing goods, or contracting services for the Corporation of the City of London (herein after known as 'City').
- 1.2 The guiding principle is that procurement decisions will be made using a competitive process that is open, transparent and fair.
- 1.3 The City encourages innovation and the use of technology which meets City specifications and industry standards in order to ensure the utilization of the most efficient and effective procurement processes and practices.
- 1.4 The City will consider the total costs, including, but not limited to, acquisition, operating, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs in evaluating competitive bids from responsive and responsible bidders. Where costs are submitted for more than one year, the net present value of the annual costs will be used to evaluate the costs at a discount value concurred by the City Treasurer.

The Purchasing and Supply function fully embraces the philosophy of continuous improvement and will continue to be a leader in advanced public procurement solutions that are quality focused and consider the 'Total Cost of Ownership' where possible.

The City encourages its supply chain partners to have similar quality considerations with their procurement of goods and services.

### 1.5 Sustainable Purchasing

*Sustainable Purchasing* is a framework for procurement decision-making that will contribute to the City of London's procurement objective to achieve best value for the City by considering the full life cycle of products and their complete economic, environmental and social costs and benefits.

The City of London recognizes that through its procurement function it has the power to bring about environmental and social improvements both locally and globally while maximizing economic benefits. The City is committed to maximizing sustainability benefits by engaging with the public marketplace and increasing the efficiency of procurement procedures and practice.



## Sustainable Purchasing Purpose

The purpose is to:

- Embed environmental and ethical criteria into the City's procurement procedures and supply chain management processes and ensure cost effectiveness and competitive pricing.
- Set specifications for goods and services that achieve environmental benefits such as waste reduction, water conservation, energy conservation, and pollution prevention and increase the development and awareness of environmentally sound procurement, efficient and durable products, reusable products and products that contain post-consumer, recyclable, non-toxic, and/or nonpetroleum content.
- Ensure safe and healthy workplaces for the people who produce goods or supply services to the City of London by requiring suppliers to adhere to minimum performance standards with respect to fair labour practices and human rights, based on core labour conventions of the International Labour Organization (ILO), Canadian laws and other applicable environmental and ethical standards as defined in the City's Supplier Code of Conduct.
- Evaluate, as appropriate, products and services based on a full life cycle or total cost of ownership perspective that considers their complete economic, environmental and social costs and benefits.
- Evaluate, as appropriate, the sustainability performance of suppliers' internal operations and rewarding leadership and innovation among Suppliers who contribute to healthy, fair and safe workplaces and practice environmental stewardship.
- Strive to reduce the overall consumption of goods and services, where possible, through more efficient procurement procedures and practices.
- Enhance procurement practices to align with existing City sustainability initiatives, such as Leadership in Energy and Environmental Design (LEED) green building design and E3 Fleets.
- Advance a corporate culture at the City that recognizes and places a priority on sustainability.
- Adhere to the principles of public procurement by continuing to support a process that is open, fair, transparent and competitive and complying with all applicable trade agreements such as The Canadian Free Trade Agreement (CFTA).

## Scope

This applies to the procurement of goods, services and construction by all Service Areas. Full implementation of the policy will be phased in over time.

## Guidelines

### **A. Responsibilities**

**All City Service Areas, Offices and Agencies** shall identify and purchase the most environmentally and socially responsible products and services that are available for the intended purpose at a competitive price and that meet the performance requirements. Environmental and social factors that should be considered include, but are not limited to:

- Minimization of virgin material use in product or service life cycle
- Maximization of recycled products used in product or service life cycle
- Environmental cost of entire product or service life cycle
- Reuse of existing products or materials in product or service life cycle
- Recyclability of product
- Minimization of packaging
- Reduction of energy/water consumption
- Toxicity reduction or elimination
- Elimination of uncertified hardwoods in product or service life cycle
- Durability and maintenance requirements
- Ultimate disposal of the product
- Adherence to the minimum social performance standards of the *Supplier Code of Conduct*

**Purchasing & Supply staff** shall adhere to the guidelines set forth in this policy when making purchasing decisions. Purchasing & Supply will be responsible for ensuring Suppliers comply with the minimum performance standards of the *Supplier Code of Conduct* and will participate in establishing annual action plans and targets, developing relevant tools and procedures, and reporting on annual performance.

**City Service Areas** shall assist Purchasing & Supply in its implementation of this policy by supporting training, information gathering, developing of environmental specifications, and evaluation of products and services and suppliers sustainability performance. End Users shall work with Purchasing & Supply to set product and service specifications and evaluate products and services based on these specifications.

### **B. Metrics and Reporting System**

Sustainable purchasing performance indicators and annual targets will be defined. A reporting system will track performance against these indicators and report on achievement of targets.

### **C. Program Resourcing**

Adequate resourcing (e.g. human and financial) will be assessed regularly to ensure successful implementation of the Sustainable Purchasing Policy.

### **D. Phased Implementation**

Sustainable Purchasing will be phased in over time through the selection of priority products and service based on a defined set of selection criteria (e.g. cost saving potential, sustainability impacts, market availability).

## 1.6 Supplier Code of Conduct

The Supplier Code of Conduct sets the minimum performance standards for Suppliers and their subcontractors and supports the City of London's Sustainable Purchasing. The goal of the Supplier Code of Conduct is to ensure safe and healthy workplaces for the people who make goods, services and construction for the City, where human and civil rights conditions meet internationally agreed upon standards.

The Supplier Code of Conduct will ensure that Suppliers are in compliance with the International Labour Standards (i.e. core labour conventions) of the International Labour

Organization (ILO), Canadian laws and other applicable environmental and ethical standards. The City will apply the Supplier Code of Conduct as one of the criteria used in its selection of Suppliers. It is a requirement that City Suppliers and their sub-contractors follow this code.

### Compliance Requirements

City Suppliers and their sub-contractors must strive to comply with all national and other applicable laws of the country(ies) of operations or applicable to the manufacturing of goods or delivery of services, including, but not limited to those laws relating to working conditions, human rights, health and safety and the environment. For goods and services produced in Canada, Canadian laws will apply. For goods and services produced outside of Canada, and where foreign national laws and the Supplier Code of Conduct address the same issue, the standard that is most stringent will apply, thereby ensuring that all Suppliers, regardless of their place of operation, are meeting a consistent set of minimum performance standards related to human rights and fair workplace practices. The application of the Supplier Code of Conduct will be phased in over time.

### Minimum Performance Standards

The following nine standards are based on the ILO International Labour Standards (i.e. labour conventions) that directly support the Universal Declaration of Human Rights and address the worst forms of child and forced labour. These core conventions set out reasonably achievable minimum standards for working conditions in manufacturing facilities and factories internationally. The ILO International Labour Standards are available online at: <http://www.ilo.org>

#### **a. Freely Chosen Employment**

The Supplier shall employ workers who choose to be employed by the Supplier's company. The Supplier shall not use any forced, bonded or indentured labour or involuntary prison labour. All work shall be voluntary, and workers shall be free to leave upon reasonable notice.

#### **b. Child Labour**

The Supplier shall commit to a zero-tolerance policy toward the use of child labour in any stage of manufacturing. The term "child" refers to any person under the age of 15 (or 14 where the law of the country of manufacture allows). Workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is permitted.

#### **c. Non-discrimination and Diversity**

The Supplier shall promote cooperation, individual responsibility and acceptance of diversity among its employees. The Supplier and its employees shall not engage in discrimination based on race, colour, age, gender, sexual orientation, ethnicity, disability, place of origin, ancestry, source of income, pregnancy, religion, political affiliation, union membership, family status or marital status in hiring and employment practices such as promotions, rewards, and access to training. In addition, workers or potential workers should not be subjected to medical tests that could be unlawfully used in a discriminatory way.

#### **d. Health and Safety**

Workers will be provided with a safe and healthy work environment. Conditions in all work and residential facilities shall be safe, clean, and consistent with all applicable laws and regulations regarding occupational health and safety. The Supplier shall adequately inform employees of their health and safety guidelines in terms of equipment, training, management, and work practices.

#### **e. Employee Treatment, Harassment and Abuse**

The Supplier's employees shall be treated with respect and dignity and Supplier's disciplinary policies and procedures shall be clearly defined and communicated to

employees before application. There shall be no harsh and inhumane treatment, including any physical, sexual, psychological, verbal harassment or abuse, or corporal punishment; nor is there to be the threat of any such treatment.

**f. Freedom of Association and Collective Bargaining**

The Supplier shall work directly with employees to find solutions to any outstanding legal and employment issues while at all times respecting worker rights to obtain representation, join labour unions, and/or bargain collectively. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

**g. Wages and Benefits**

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate. Deductions from wages as a disciplinary manner is not permitted and payment shall occur in a timely manner with record of payment (e.g. pay stub).

**h. Hours of Work**

The Supplier shall ensure regular working hours do not exceed forty eight (48) hours per week, and that the combination of regular hours and required overtime hours do not exceed sixty (60) hours per week except in emergency circumstances.

**i. Environmental Responsibility**

Suppliers shall take responsibility to reduce the environmental impact of their products and services as well as their overall operations or 'in-house' practices (e.g. energy conservation in their buildings). Suppliers must not be in violation of any national environmental regulations and should be striving to meet third-party standards.

**General Provisions**

- 2.1 Unless otherwise provided in accordance with this Policy, the Manager of Purchasing and Supply and the authorized employees of Purchasing and Supply shall act for the City, for the purchase and disposal of all goods and/or services and shall be responsible for providing necessary advice and services required for such purchases and/or disposals in accordance with the method of purchase authorized by this Policy.
- 2.2 No purchase of goods and/or services shall be authorized unless it is in compliance with this Policy. Goods and/or services that are obtained without following the provisions of this Policy will not be accepted, and any invoices received may not be processed for payment.
- 2.3 Unless otherwise provided in accordance with this Policy, the purchase of all goods and/or services shall be authorized in accordance with the provisions of Schedule "A" to this Policy.
- 2.4 Requisitions or purchase orders shall not be arbitrarily structured to alter the relationship of the price to the preauthorized expenditure limit.
- 2.5 The procedures prescribed in this Policy shall be followed to make an award or to make a recommendation of an award to Committee and City Council.
- 2.6 Wherever possible, it should be the intent of the client service areas to procure goods and/or services of like nature as a combined effort in order to benefit from economies of scale.
- 2.7 During the public procurement process, internal City bids will not be considered as the analysis of in-house versus out-source (procurement) will be made prior to any such process.

- 2.8 Definitions specific to this Policy are documented in Section 3.
- 2.9 The City recognizes that mistakes and misunderstandings may occur; bidders may feel aggrieved and may seek to dispute the recommendation of an award of a contract. To maintain the integrity of the process, bidders who believe they have been treated unfairly can make this known by contacting the Manager of Purchasing and Supply prior to the award of the contract. The bidder must file the formal dispute for an appeal in writing within two (2) City of London business days of notification to the bidder by the City that their bid is not acceptable and request a hearing meeting with the Manager of Purchasing and Supply or designate. This meeting must be held within seven (7) City of London business days of notification. If the bidder disagrees with the decision of the hearing meeting the next step is to formally appeal to the City Treasurer or designate in writing within seven (7) City of London business days. If the bidder disagrees with the decision of the City Treasurer, the next step is to formally appeal in writing to the City Clerk within seven (7) City of London business days. The Corporate Services Committee will hear the appeal and make a recommendation to Council regarding the dispute. City Council's decision on the Committee's recommendation is final.

The City may, in its absolute sole discretion, reject any other bids submitted if the bidder, or any officer or Managing Director of the bidder is or has been engaged, either directly or indirectly through another Corporation or personally, in/or during a dispute appeal of decision for the contract award action against the City.

In determining whether or not to reject a bid under this clause, the City will consider delays in awards of this or subsequent City contracts and whether the dispute or appeal is likely to affect the bidder's ability to work with the City, its consultants and representatives, and whether the City's experience with the bidder indicates that the City is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the bidder. The City will also consider delays in awards of subsequent City contracts with other contractors and the potential for those additional costs resulting in delays associated with this dispute/appeal.

There are strict time limits to file a dispute appeal. If the bidder is unsure of the deadline for appeal, they must seek direction from the Manager of Purchasing and Supply. Failure to seek and follow these directions will result in the appeal being dismissed.

- 2.10 This Policy will be reviewed and revised on a periodic basis. It is anticipated that reviews will be conducted every five (5) years or more frequently as required.
- 2.11 Goods and/or services NOT subject to this Policy are listed in Schedule "B". The final determination of whether goods and/or services qualify for exemption under Schedule "B" shall be determined by the City Treasurer or delegate.
- 2.12 Additional information on the administration of the procurement process can be found in Schedule "E" entitled Materials Management Guidelines.
- 2.13 Where a Service Area does not involve the complete utilization of the City's Purchasing and Supply Division as the procurement agent (e.g., small value contracting, or call-ups under the standing offer agreement, or user-administered tenders) then the Service Area is responsible for: Disclosing designated substances; Including designated substance and asbestos clauses in the tender/contract documents (Refer to Asbestos Management Program Appendices), and providing Pre-Demolition, Alteration or Renovation surveys to include pre-existing designated substance information.
- 2.14 In accordance with Ontario Regulation 191/11 under the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) as amended, the City of London shall consider accessibility criteria and features when procuring or acquiring goods, services, or

facilities, except where it is not practicable to do so. In which case, an explanation will be provided upon request.

- 2.15 No purchase of goods and services associated with computer software, hardware and/or telecommunications equipment will be authorized without the completion of appropriate Information Technology reviews as determined by Information Technology Services and the authorization, in writing, of the Director, Information Technology Services or designate.

## **Definitions**

In this Policy, unless a contrary intention appears,

**‘Acting’** means the formal delegation of approval authority by the person in the position of authority to the person acting in that role on a temporary basis.

**‘Addendum’ (Addenda)** means the form of a document used to officially change, add and/or delete information contained within a Competitive Bid. By issuing an Addendum, the Competitive Bid itself changes to incorporate the Addendum.

**‘Agreement’** means a formal written legal agreement or contract for the supply of goods, services, equipment or construction.

**‘Award’** means a bid is formally accepted by the City and has obtained the required approval as defined in Section 8.5 and Schedule “A”. An award may be executed by the issuance of a Purchase Order, Contract Record or formal Agreement.

**‘Best Value’** means the optimal balance of performance and cost determined in accordance with a pre-defined evaluation plan. Best value may include a time horizon that reflects the overall life cycle of a given asset.

**‘Bid’** means a response to a competitive bid issued by the City.

**‘Bidder’** means a person, corporation or other entity that responds, or intends to respond to a competitive bid.

**‘Bid Deposit’** means currencies, certified cheques, bid bond issued by a surety company licensed to operate by the Government of Canada or the Province of Ontario or another form of negotiable instrument acceptable to the City to compensate the City if the successful bidder does not enter into a contract.

**‘Blanket Purchase Contract’** means any contract for the purchase of goods and/or services which will be required frequently or repetitively but where the exact quantity of goods and/or services required may not be precisely known or the time period during which the goods and/or services are to be delivered may not be precisely determined.

**‘City’** means The Corporation of the City of London.

**‘City Treasurer’** means a person, or person ‘acting’ in this capacity with chief responsibility for Corporate Finances at the City (Managing Director, Corporate Services and City Treasurer, Chief Financial Officer).

**‘Certificate of Clearance’** from the Workplace Safety and Insurance Board means a certificate issued by an authorized official of the Workplace Safety and Insurance Board certifying that the Board waives its rights under Subsection 141(10) of the Workplace Safety and Insurance Act, R.S.O. 1997, as amended.

**‘Committee’** means the authorizing body (as amended by City Council) that provides initial approval prior to seeking Council approval

**‘Competitive Bid’** means REOI, RFI, RFQUAL, RFP, IRFQ, RFQ or RFT as further defined in this section.

**‘Consultant’** means an external subject matter expert that provides advisory services and/or direction to City Staff when the City requires competency and/or capacity for a particular procurement that is not available in-house, excluding legal, employment and labour relations services.

**‘Contract’** means any formal or deliberate written agreement for the purchase of goods, services, equipment or construction including but not limited to Purchase Order and Agreement. Standard contracts are used for the acquisition of goods and/or services for a specific requirement. Corporate contracts are used for the acquisition of goods and/or services for a group of specific requirements.

**‘Contracting’** means any formal or deliberate written agreement for the purchase of goods, services, equipment or construction including but not limited to Purchase Order and Agreement. Standard contracts are used for the acquisition of goods and/or services for a specific requirement. Corporate contracts are used for the acquisition of goods and/or services for a group of specific requirements.

**‘Conflict of Interest’** means a situation in which the personal interests of Managing Directors, officers and key staff member come into conflict, or appear to come into conflict, with the interests of the City.

**‘Contract Record’** means a document which summarizes the goods and/or services to be purchased.

**‘Declaration Respecting Workers’ Compensation Act, R.S.O. 1990/Corporations Tax Act’** means a declaration that the bidder has paid all assessments or compensation payable and has otherwise complied with all requirements of the Workplace Safety and Insurance Board and that the bidder has paid all taxes and/or penalties imposed on it pursuant to the Corporations Tax Act, R.S.O. 1990, CHAPTER C.40, as amended.

**‘Delegate’** means a person who has been delegated approval authority by a position with authority under this Policy (Section 8.7).

**‘Delegation of Approval Authority’** means the formal delegation of authority to perform a specific task or approval by a person in a position with authority under this Policy (Section 8.7), resulting in a ‘delegate’.

**‘Delegation of Approval Authority List’** means a list prepared by the Managing Director granting the formal delegation of authority to perform a task or approval (Section 8.7).

**‘Dispute Committee’** means a committee comprised of the Manager of Purchasing and Supply (or delegate), the City Treasurer (or delegate), the City Manager (or delegate), and the Managing Director of the client service area involved.

**‘Elected Official’** means a member of (London) City Council.

**‘Emergency’** means a situation or an impending situation that constitutes a danger of major proportions that could result in serious harm to persons or substantial damage to property and that is caused by the forces of nature, a disease or other health risk, an accident or an act whether intentional or otherwise.

**‘Employee - Employer Relationship’** means a worker agrees to work for the City, on a full-time or part-time basis, for a specified or indeterminate period of time, in return for wages or a salary. The City has the right to decide where, when and how the work is to be done.

**‘Executed Agreement’** means a formal agreement, either incorporated in the bid documents or prepared by the City or its agents, to be executed by the successful bidder and the City.

**‘Fairness Advisor’** means an external resource who focuses on the procurement process and the case law for a procurement, but is also required to have a business perspective and may provide advice to the City.

**‘Fairness Commissioner’** means an external resource who works concurrently with the City’s procurement process to proactively make the process fairer and certifies the work at the conclusion. The Commissioner will provide direction to the City as required.

**‘Fairness Monitor’** means an external resource who oversees a procurements’ procedural fairness, transparency and adherence, particularly as it relates to the procurement process and provides feedback to the City.

**‘Goods and/or Services’** means supplies, services, materials and equipment of every kind required to be used to carry out the operations of a service area.



**'Informal Request for Quotation' or 'IRFQ'** means a request for prices on specific goods and/or services from selected suppliers which are submitted in writing, or as specified in the Informal Request for Quotation.

**'Insurance Documents'** means official original documents issued by an insurance company acceptable to the City and, preferably, licensed to operate by the Government of Canada or the Province of Ontario certifying that the bidder is insured in accordance with the City's insurance requirements and completed on the City standard insurance form (s); as contained in the bid document.

**'Irregular Result'** is defined in Section 8.10.

**'Irregularities Contained in Bids'** is defined in Schedule "C" and includes the appropriate response to those irregularities.

**'Irrevocable Letter of Credit'** means an irrevocable letter on the financial institution's standard form containing a request that the party to whom it is addressed pay the bearer or a person named therein money as a result of failure to perform or fulfill all the covenants, undertakings, terms, conditions and agreements contained in a contract.

**'Labour and Material Bond'** means a bond issued by a surety company on the City standard Form of Bond to ensure that the contractor will fulfill its obligations to its employees, subcontractors and suppliers and thereby protects the City.

**'Letter of Agreement to Bond'** means a letter or other form issued by a surety company licensed to operate by the Government of Canada or the Province of Ontario advising that, if the bidder is successful the bonding agency will issue the required bonds.

**'Manager of Purchasing and Supply'** means a person responsible for the Purchasing and Supply section at the City. For the purposes of this Policy, when 'Manager of Purchasing and Supply' appears it does not include staff that has been delegated approval authority by the 'Manager of Purchasing and Supply', unless otherwise noted.

**'Managing Director'** means a person, or person 'acting' in this capacity responsible for a service area at the City which includes, but is not limited to the City Treasurer, City Solicitor, City Engineer, City Planner, Chief Building Official and Chief Human Resources Officer.

**'Obsolete'** means City assets that are no longer current or have no functional use due to being replaced by newer assets and still may have some economic value.

**'Pecuniary Interest'** means the opportunity, directly or indirectly, to profit or share in any profit derived from a competitive bid or agreement.

**'Performance Bond'** means a bond issued by a surety company on the City standard Form of Bond executed in connection with a contract and which secures the performance and fulfillment of the undertakings, covenants, terms, conditions and agreements contained in the contracts. These may also be in the form of 'renewable performance bonds'.

**'Professional Consulting Services'** means a consulting firm, engineer or architect providing professional knowledge or construction design or technical expertise.

**'Program Administrator'** means a person who has been given the responsibility to maintain and monitor the purchasing card program at the City.

**'Proponent'** means the respondent to a Request for Proposal (RFP).

**'Purchase Order'** means the standard City procurement document issued by Purchasing and Supply to formalize a purchasing transaction with a supplier.

**'Purchasing Card'** means a credit card provided by the City's Finance area and its use is bound by the provisions of the Procurement of Goods and Services Policy.

**‘Purchase Requisition’** means a duly authorized written or electronically produced request in an approved format to obtain goods or services.

**‘Request for Expression of Interest’ or ‘REOI’** means a focused market research tool used to determine supplier interest in a proposed procurement. It may be issued simultaneously with a Request for Qualifications (RFQUAL) when the proposed procurement is well defined and the purchaser has clear expectations for the procurement.

**‘Request for Information’ or ‘RFI’** means a general market research tool to determine which products and services are available, scope out business requirements, and/or estimate project costs which may be used prior to issuing another type of competitive bid.

**‘Request for Proposal’ or ‘RFP’** means a process where a need is identified, but the method by which it will be achieved is not prescribed at the outset. This process allows prospective suppliers to propose solutions or methods to arrive at the desired result.

**‘Request for Qualifications’ or ‘RFQUAL’** means a request for list of qualified suppliers and firms who have an interest in providing services to the City, typically through a two-stage process.

**‘Request for Quotation’ or ‘RFQ’** means a request for prices on specific goods and/or services as specified in the Request for Quotation.

**‘Request for Tender’ or ‘RFT’** means a request for sealed bids which contain an offer in writing to execute some specified services, or to supply certain specific goods, at a certain price, in response to a publicly advertised request for bids.

**‘Scrap’** means City assets that no longer have the ability to function for their original design in their current state and have minimal economic value other than primarily for recycling value.

**‘Sealed Bid’** means a formal sealed response received as a part of a competitive bid.

**‘Single Source’** means that there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specifications. Further qualifications appear in the definition in Section 14.4.

**‘Sole Source’** means that the goods and/or services are available from only one supplier. Further qualifications appear in the definition in Section 14.3.

**‘Substantive Objection’** means an unsuccessful bidder requests moving to the third stage of dispute resolution as prescribed in Section 2.9.

**‘Supplier’** means any individual or organization providing goods or services to the City including but not limited to contractors, consultants, suppliers, service organizations etc.

**‘Surplus’** means City assets that exceed the portion that is utilized by the City, may be current, may have functional use and still have some economic value.

**‘Tender’** means a sealed bid which contains an offer in writing to execute some specified services, or to supply certain specified goods, at a certain price, in response to a publicly advertised request for bids.

**‘Triggering Event’** means an occurrence resulting from an unforeseen action or consequence of an unforeseen event, which must be remedied on a time sensitive basis to avoid a material financial risk to the City or serious or prolonged risk to persons or property.

**‘Value Analysis’** means a life cycle costing approach to valuing a given alternative, which calculates the long term expected impacts of implementing the particular option.

## **Responsibilities**

### **4.1. General Responsibilities**

- a. All City staff delegated with approval authority (Section 8.7) shall follow the guidelines as set out in Schedule “D” ‘A Statement of Ethics for Public Purchasers’ established by the Ontario Public Buyers’ Association, as well as the City’s Conflict of Interest Policy, and Section 5 below.
- b. Procurement activities shall be subject to all applicable City policies and by-laws, any specific provisions of the Municipal Act, and all other applicable Federal and Provincial legislation.
- c. Failure to adhere to the requirements outlined in this Policy may lead to disciplinary action up to and including termination of employment.
- d. No provision of this Policy precludes a Managing Director or the Manager of Purchasing and Supply with the concurrence of the City Manager from recommending an award to Committee and City Council where:
  - i. in the opinion of a Managing Director, it is in the best interest of the City to do so; or;
  - ii. it is a matter of procurement procedure and, in the opinion of the Manager of Purchasing and Supply, it is in the best interest of the City to do so.

### **4.2. City Manager**

The City Manager has the authority to instruct the Managing Directors not to award contracts and to submit recommendations to Committee and City Council for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interest of the City.

### **4.3. Managing Directors**

- a. Have responsibility for all procurement activities within their service areas and are accountable for achieving best value while following the Procurement of Goods and Services Policy;
- b. Have the authority to delegate approval authority to staff at the appropriate levels within their service areas (Section 8.7);
- c. The Managing Directors have the authority to award contracts in the circumstances specified in this Policy provided that the delegated power is exercised within the limits prescribed in Schedule “A” and the requirements of this Policy are met; and
- d. When the Managing Director is of the opinion that a Triggering Event has occurred, the Managing Director may authorize the purchase of such goods and/or services as is considered necessary to remedy the situation without regard to the requirement for a competitive bid and may approve the necessary contract amendment. The relevant details surrounding the Triggering Event shall be included in a report and submitted to Committee as soon as possible.

### **4.4. City Treasurer**

The City Treasurer is responsible for:

- a. Overseeing the Purchasing and Supply function;
- b. Maintaining ownership over the Procurement of Goods and Services Policy; and
- c. Approval authority as outlined in Schedule “A” and 8.5.

#### 4.5. Manager of Purchasing and Supply

The Manager of Purchasing and Supply is responsible for:

- a. The integrity of the procurement process with the exception of those items listed in Schedule "B";
- b. Providing professional procurement advice and service to City staff.
- c. Awards within the authority of the Managing Director (or delegate) for which the Manager of Purchasing and Supply may award a contract on behalf of these positions provided that Purchasing and Supply is in receipt of a funded requisition and the requirements of this Policy are met;
- d. Monitoring compliance with this Policy;
- e. Notifying the Senior Management Team, in advance if possible, of non-compliance with this Policy;
- f. Rejecting any Purchase Requisitions for services where the services could result in the establishment of an employee – employer relationship; and
- g. Creating and revising administrative procedures and directions respecting:
  - i. the preparation and development of specifications;
  - ii. the requirements and form of bid deposits;
  - iii. other securities and documentation required or advisable for sealed bids;
  - iv. procedures for the opening, evaluation and recommendation of bid documents; and
  - v. such other matters of an ancillary or incidental nature to more fully carry out the intent and purpose of this Policy.

#### 4.6. Committee and City Council Approval

Despite any other provision of this Policy, the following contracts are subject to Committee and City Council approval:

- a. Any contract requiring approval from the Ontario Municipal Board;
- b. Any contract prescribed by Statute to be made by City Council;
- c. Where a recommendation is being made to amend the total value of a contract in excess of the original bid (plus contingency), and;
  - i. it is an amount greater than \$50,000; or
  - ii. in the opinion of the City Treasurer, funds are not available for the additional expenditure.
- d. Where a Substantive Objection (see definition in Section 3), emanating from the competitive bid has been filed with the City Treasurer prior to award of the contract;
- e. Where there is an irregular result (see Section 8.10); and
- f. Where authority to approve has not been expressly delegated.

#### **Conflict of Interest**

- 5.1 No elected official, appointed officer or employee of the City shall have any pecuniary or controlling interest either direct or indirect in any competitive bid or contract for the supply of goods or services to the City, unless such pecuniary interest is disclosed by the contractor, bidder or person submitting a quotation, as the case may be, or unless such pecuniary interest would be exempt under the Municipal Conflict of Interest Act.
- 5.2 Competitive bid documents shall include a section that requires and provides for the disclosure of any pecuniary interest prior to submission of the bid. Should a conflict of interest arise after the award of a contract, the conflict shall immediately be disclosed in writing to the Manager of Purchasing and Supply. Further, all competitive bid documents and agreements shall provide that in the event that a contract is awarded to a person who has not, during the bidding or contracting process, disclosed the pecuniary interest of an elected official, appointed officer or employee of the City in the contract, the contract may be cancelled at any time by the City in its entire discretion without damages or penalty.
- 5.3 In this section, 'controlling interest' means the interest that a person has in a corporation when the person beneficially owns, directly or indirectly, or exercises control or direction over, equity shares of the corporation carrying more than ten percent (10%) of the voting rights attached to all equity shares of the corporation for the time being outstanding;
- 5.4 For the purposes of this section, a person has an indirect pecuniary interest in any competitive bid or agreement entered into by a corporation, if:
  - a. The person or his or her nominee is a shareholder in or a Managing Director or senior officer of a corporation that does not offer in securities to the public.
  - b. Has a controlling interest in or is a Managing Director or senior officer of a corporation that offers securities to the public.
- 5.5 For the purposes of this section, an elected official, appointed officer or employee of the City has an indirect pecuniary interest if the person is a partner of a person or is in the employment of a person or body that has entered into a tender, proposal, quotation or contract with the City.

- 5.6 For the purposes of this section, the pecuniary interest in a Tender, Proposal, Quotation or contract of a parent or spouse or any child of an elected official, appointed officer or employee shall, if known to the person, be deemed to be also the pecuniary interest of the elected official, appointed officer or employee as the case may be.

## **Prohibitions**

### 6.1 Division of Contracts

No employee of the City shall divide a purchase or a contract to avoid the requirements of the Tender, Proposal, Quotation or Purchasing Card procedures. Nor shall purchases be split in order to circumvent prescribed spending authority dollar limits as outlined in this Policy

### 6.2 Interference in the Procurement Process

- a. Elected officials, appointed officers and employees shall not knowingly cause or permit anything to be done or communicated to anyone in a manner which is likely to cause any potential supplier to have an unfair advantage or disadvantage in obtaining a contract for the supply of goods and/or services to the City. This also includes a contract with any other municipality, local board or public body involved in the purchase of goods and/or services either jointly or in cooperation with the City.
- b. Elected officials shall separate themselves from the procurement process and have no involvement whatsoever in specific procurements. Elected officials should not see any documents or receive any information related to a particular procurement while the procurement process is ongoing. Elected officials who receive inquiries from suppliers related to any specific procurement shall immediately direct those inquiries to the Manager of Purchasing and Supply, or the City Treasurer.
- c. The only exception to the above relates to selection of external auditors or an integrity commissioner whereby elected officials are specifically part of the evaluation team.

### 6.3 Official Point of Purchasing Contract and Lobbying Prohibition

- a. The City is committed to the highest standards of integrity with respect to the purchase of goods and/or services and managing the processes by which goods and/or services are acquired. The official point of purchasing contact shall be a member of the Purchasing and Supply Team. Should it be necessary or desirable to have a contact person to respond to technical issues that person shall be named in the competitive bid documents. All communications will be made by these individuals and during the procurement process, no bidder or person acting on behalf of the bidder or group of bidders shall contact any elected official, consultant or any employee of the City to attempt to seek information or to influence the award of the contract. Any activity designed to influence the decision process, including, but not limited to, contacting any elected official, consultant or employee of the City for such purposes as meetings of introduction, social events, meals or meetings related to the selection process, shall result in disqualification of the bidder for the project to which the influential activity is deemed to be directed.

Notwithstanding the foregoing, this prohibition does not apply to meetings specifically scheduled by the City Purchasing and Supply group for presentations or negotiations. Any bidder found to be in breach of this Policy shall be subject to immediate disqualification from the procurement process and may be prohibited from future opportunities at the discretion of City Council.

- b. In addition, no bidder who has been awarded the contract shall engage in any contact or activities in an attempt to influence any elected official or any employee of the City with respect to the purchase of additional enhancements, options, or modules. However, a contractor may communicate with the appropriate member of the Purchasing and Supply Team, the Manager of Purchasing and Supply or the City Treasurer for purposes of administration of the contract during the term of the contract.
- c. The determination of what constitutes influential activity is in the sole discretion of the Manager of Purchasing and Supply, acting reasonably, and not subject to appeal.
- d. Contract award decisions shall be based on clear, transparent and objective criteria that is applied free from political considerations or political interference.

## **Procurement Documentation**

- 7.1 In order to maintain consistency, Purchasing and Supply shall provide guidelines to the City Manager and/or Managing Director on procurement policies and procedures and on the structure, format and general content of procurement documentation.
- 7.2 Purchasing and Supply shall review proposed procurement documentation to ensure clarity, reasonableness and quality and shall advise the City Manager and/or Managing Director of suggested improvements.
- 7.3 Procurement documentation shall avoid use of specific products or brand names.
- 7.4 Notwithstanding Section 7.3, a Managing Director (or delegate) may specify a specific product, brand name or approved equal for essential functionality purposes (with consideration for operating and maintenance costs) to avoid unacceptable risk or for some other valid purpose. In such instances, the Managing Director (or delegate) and Purchasing and Supply shall manage the procurement to achieve a competitive situation whenever possible.
- 7.5 The use of standards in procurement documentation that have been certified, evaluated, qualified, registered or verified by independent nationally recognized and industry-supported organizations such as, but not limited to, the Standards Council of Canada, shall be preferred.
- 7.6 Managing Directors (or delegate) shall:
  - a. Give consideration to Value Analysis, Sustainable Purchasing and Supplier Code of Conduct;
  - b. Ensure that adequate Value Analysis comparisons are conducted to provide assurance that the specification(s) will provide best value;
  - c. Forward the Value Analysis to Purchasing and Supply for documentation in the procurement file; and
  - d. Ensure specification(s) are set to allow for an open competitive process.
- 7.7 All substantive changes to standard clauses in competitive bid documents and standard agreements shall be reviewed and approved by the City Solicitor or delegate.
- 7.8 Unless otherwise noted in this Policy, the Manager of Purchasing and Supply (or delegate) in conjunction with the Managing Director (or delegate) shall issue bid documents for goods and/or services. Purchasing and Supply shall give notice of the issuance of a competitive bid electronically via the internet as well as any other means as appropriate.

7.9 Internal Auditor shall review compliance with the Procurement or Goods and Services Policy, and report to the Audit Committee as set out in their audit plan.

### **Approval Authority and Reporting Requirements**

- 8.1 Any person delegated approval authority pursuant to this Policy shall ensure that an approved budget, as described in Section 17 of this Policy, exists for the proposed procurement and that such procurement does not violate any City policies or any applicable law. Any such procurement shall also satisfy any applicable audit and documentation requirements of the City.
- 8.2 All applicable taxes, duties and shipping shall be excluded in determining the procurement limit of authorized delegates and the type of procurement process to be followed.
- 8.3 The dollar values identified in this section represent the annual estimated procurement value for a good and/or service to be procured. The annual estimated procurement value is the cumulative value spent over a twelve (12) month period for a particular good and/or service.
- 8.4 In the case of multi-year supply and/or service contracts, the preauthorized expenditure limit shall refer to the estimated annual expenditure under the contract.
- 8.5 The following body and persons shall have the respective approval authority as set out below (see summary in Schedule "A"). All dollar values are based on annual amounts and must be within pre-approved budgeted limits.
- a. **Committee and City Council** must approve the following awards:
- i. RFP greater than \$100,000;
  - ii. RFT greater than \$3,000,000;
  - iii. RFQ, RFP and RFT with an irregular result greater than \$100,000 (section 8.10);
  - iv. Sole Source or Single Source greater than \$50,000;
  - v. Contract extensions greater than \$3,000,000 (section 20.2); and
  - vi. Appointment of Professional Consulting Services (Section 15) greater than \$100,000.
- b. **Managing Directors or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)** are authorized to approve the following awards:
- i. RFQ (formal quotations) greater than \$50,000 but not exceeding \$100,000; and
  - ii. RFP up to \$100,000;
  - iii. RFT up to \$3,000,000;
  - iv. Sole Source or Single Source up to \$50,000;
  - v. Contract extensions up to \$3,000,000, for Council approved agreements that have clearly defined options to extend (Section 20.2).
- c. **Managing Directors or any employee exercising delegated authority approval** are authorized to approve the following awards:
- i. Informal quotations up to \$50,000; and,



- ii. Appointment of Professional Consulting Services not exceeding \$100,000 (Section 15).

8.6 Section 8.5 approvals may be overridden in the case of an 'emergency' as defined in Section 14.2 of this Policy.

#### 8.7 Delegation of Approval Authority

'Delegation of Approval Authority' means the formal delegation of authority to perform a task or approval by a person in a position with authority under this Policy, resulting in a 'delegate'.

- a. The method for the Managing Directors delegating approval authority is as follows:
  - i. The Managing Directors shall prepare a 'delegation of approval authority list' within their respective areas;
  - ii. The list will provide evidence that the staff listed have been delegated approval authority by the Managing Director;
  - iii. The list at minimum, shall include the staff person's name, title and approval limit. The list will also include any acting roles;
  - iv. The list shall be updated immediately upon any change in staff or position;
  - v. A copy of the list shall be sent to the Manager of Purchasing and Supply each time there is a revision;
  - vi. The Manager of Purchasing and Supply will ensure the delegation of approval authority lists are available to all Purchasing and Supply Staff; and
  - vii. Purchasing and Supply staff will review the list prior to completing tasks that require approval.
- b. The Managing Directors and Manager of Purchasing and Supply shall develop a 'delegation of approval authority list' for the approvals and tasks they are responsible for under this Policy.

8.8 Only the Managing Directors may further delegate approval authority to their staff at the procurement values deemed appropriate. Staff that has been delegated approval authority from the Managing Directors to approve procurements shall have no authority to delegate this approval authority to any other person.

8.9 City Council may explicitly delegate further approval authority as it considers necessary from time to time, including but not limited to, any extended time periods during which City Council does not meet.

#### 8.10 Irregular Result

The client Service Area, in conjunction with Purchasing and Supply, shall submit a report to Committee and City Council and receive their approval for the award of a competitive bid greater than \$100,000 if any of the following conditions apply (if the award is less than \$100,000, the Managing Director with the concurrence of the Manager of Purchasing and Supply or delegate may approve the award):

- a. The value of the lowest compliant bid is in excess of the City Council approved budget including any contingency allowance;
- b. The specifications of a competitive bid cannot be met by two (2) or more suppliers;
- c. The award is not being made to a compliant bidder(s) offering the Best Value to the City;

- d. Where a Substantive Objection has been filed with the City Treasurer prior to award of a competitive bid; or
- e. Where in the opinion of the Manager of Purchasing and Supply, the client Service Area award recommendation is not in the best interest of the City.

#### 8.11 Reporting to Committee and City Council

- a. The Managing Directors shall submit an informational report on an annual basis, no later than March 1 to the Manager of Purchasing and Supply containing the details of the contract awards made under Section 8.5.c for their respective Service Areas.
- b. The Manager of Purchasing and Supply shall coordinate data collection and prepare an annual report for submission to City Council including the awards made under section 8.5 b and 8.5 c, no later than April 30. The report will only include awards that were not processed through Purchasing and Supply, unless otherwise directed by Council. Purchasing and Supply shall certify that the awards are in compliance with this Policy and where non-conformances are identified, corrective action will be taken.
- c. Where a supplier has invoiced the City a cumulative total value of \$100,000 or more in a calendar year, total payments relative to the supplier shall be included in an annual information report to Committee and City Council. The Manager of Purchasing and Supply or Designate shall prepare a report of all Civic Administratively Awarded Tenders for the reporting year.

#### **Low Dollar Value Procurements (up to \$15,000) – as per Schedule “A”**

- 9.1 Procurements up to \$15,000 shall be considered low dollar value procurements
- 9.2 All low dollar value procurements shall utilize applicable City contracts and shall otherwise be in accordance with this Policy.
- 9.3 A corporate Purchasing Card may be used for low dollar value procurements provided the user complies with Section 18 of this Policy.
- 9.4 The Managing Directors may delegate approval authority to their staff for low dollar value procurements and it is their responsibility to ensure that this Policy is adhered to.
- 9.5 All information on low dollar value procurements must be documented and maintained on file.
- 9.6 Low dollar value procurements do not require an RFQ, RFP or RFT. Obtaining competitive quotes is considered a good business practice and should be obtained. An authorized Purchase Requisition submitted to Purchasing and Supply is the preferred method.

#### **Informal Request For Quotation (IRFQ) (Greater than \$15,000 to \$50,000) – as per Schedule “A”**

- 10.1 Procurements greater than \$15,000 but not exceeding \$50,000 are eligible to be completed through an Informal Quotation process. The Managing Director or any employee exercising delegated authority is authorized to award the contract.
- 10.2 All Informal Quotations shall utilize standard applicable Service Area contracts and/or corporate contracts and shall otherwise be in accordance with the Procurement of Goods and Services Policy.

- 10.3 For procurements where there are no applicable Service Area contracts or corporate contracts, informal quotations shall be obtained by the client Service Area in the following manner:
- a. Three (3) written (use of the electronic bidding system is encouraged) bids obtained from three (3) separate potential suppliers;
  - b. A 'No Bid' response shall not be considered as a valid bid;
  - c. All suppliers shall receive the same informal quotation written information;
  - d. The informal quotation shall be awarded to the lowest compliant bid; and
  - e. Documentation on all bids, including but not limited to the prospective bidders list, bid document, bid responses and decision making rationale shall be retained in the client Service Area files in accordance with City Council approved by-laws for records retention, or a minimum of two (2) years.
- 10.4 Staff is encouraged to seek three (3) bids to ensure a more competitive process. If staff has exhausted all efforts to obtain three (3) bids and can support this with documented evidence under Section 10.3 e., a minimum of two (2) written bids is acceptable.
- 10.5 Purchasing and Supply shall assist as requested by the client Service Area, or when deemed necessary, with the Informal Quotation process. Purchasing and Supply may also conduct reviews to ensure the requirements of this section and all other applicable sections of this Policy have been met.
- 10.6 When a client Service Area requires an RFP in lieu of an Informal Quotation, the RFP shall be issued by Purchasing and Supply in the same manner as for RFP's in Section 12 and subject to the approval authority in Section 8.5.b.
- 10.7 Since the informal quotation process does not necessarily go through Purchasing and Supply, the City's standard insurance form must be completed and forwarded by the client Service Area to Insurance and Risk Management for review and input into the Insurance Program. WSIB Certificates of Clearance must be submitted to Accounts Payable at the commencement of the project and periodically as the work is completed and before final payment is released.
- 10.8 An authorized Purchase Requisition is to be sent to Purchasing and Supply and include copies of the bids received. A Purchase Order, Contract Record or Agreement will be issued to formalize the contract with selected supplier.

**Request For Quotation (RFQ) (\$50,000 to \$100,000) – As Per Schedule “A”**

- 11.1 RFQ procedures shall be used where:
- a. The item is greater than \$50,000 but not exceeding \$100,000;
  - b. The requirement can be fully defined; and
  - c. Best value for the City will be achieved by an award selection made on the basis of the total lifecycle cost that meets all terms, conditions and specifications.
- 11.2 The Managing Director or any employee exercising delegated authority approval and the Manager of Purchasing and Supply must jointly approve this award.
- 11.3 The Managing Director or any employee exercising delegated authority approval shall provide to Purchasing and Supply a purchase request in writing containing the relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of goods, services or construction.
- 11.4 The client Service Area shall be responsible to review the competitive bid and verify that all terms, conditions and specifications of the bid are met.

- 11.5 Purchasing and Supply shall forward to the Managing Director (or delegate) a summary of the bids and recommend the award of contract to the lowest compliant bid subject to review by the Managing Director (or delegate) regarding specifications and contractor performance.
- 11.6 When a client Service Area requires the issuance of an RFP in lieu of a RFQ, the RFP shall be issued by Purchasing and Supply as described in Section 12 of this Policy and subject to the approval authority in Section 8.5.b.
- 11.7 The City reserves the right in its absolute sole discretion to accept or reject any submission.

### **Request for Proposal (RFP) – As Per Schedule “A”**

- 12.1 The RFP procedure shall be used where:
  - a. The requirement is best described in a general performance specification;
  - b. Innovative solutions are sought; and
  - c. To achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements.
- 12.2 Awards under the RFP process require the following approval:
  - a. The Managing Director or any employee exercising delegated authority approval and the Manager of Purchasing and Supply must jointly approve an RFP award for purchases up to \$100,000;
  - b. Committee and City Council must approve an RFP award for purchases greater than \$100,000;
  - c. Committee and City Council must approve an RFP award with an irregular result (see definition in Section 8.10).
- 12.3 The RFP process is a competitive method of procurement that may or may not include supplier pre-qualification.
- 12.4 An RFI, REOI or RFQUAL may be issued in advance of a RFP to assist in the development of a more definitive set of terms and conditions, scope of work/service and the selection of qualified suppliers.
- 12.5 An RFI, REOI and RFQUAL shall follow the same award approvals as an RFP, if applicable.
- 12.6 Purchasing and Supply shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation method for use in an RFP. This may include but not be limited to factors such as qualifications and experience, strategy, approach, methodology, scheduling and past performance, facilities, equipment, pricing, life cycle costing, standardization of product, and aspects that would support environmental procurement. Also see sections 1.5 and 1.6.
- 12.7 Managing Directors or any employee exercising delegated authority approval shall identify appropriate evaluation criteria from the list maintained by Purchasing and Supply for use in a RFP but are not limited to criteria from the list. Cost will always be included as a factor, as best value includes but is not limited to quality and cost.
- 12.8 The Managing Director or any employee exercising delegated authority approval shall provide Purchasing and Supply with a written purchase request in a form acceptable to the Manager of Purchasing and Supply containing the budget authorization, approval authority, terms of reference and evaluation criteria to be applied in evaluating the proposals submitted.

- 12.9 A representative from Purchasing and Supply will be the lead in the RFP process. A selection committee will be formed with a minimum of three evaluators and be comprised of at least one representative from the client Service Area and one representative from Purchasing and Supply. The evaluators shall review all compliant proposals against the established criteria, reach consensus on the final rating results, and ensure that the final rating results with supporting documents, are kept in the procurement file. The Purchasing and Supply representative may or may not participate in the scoring of the proposals.
- 12.10 During the proposal process all communication with proponents shall be through Purchasing and Supply.
- 12.11 Purchasing and Supply shall forward to the Managing Director (or delegate) an evaluation summary of the procurement, as well as the evaluation committee's recommendation for award of contract to the proponent meeting all mandatory requirements and providing best value as stipulated in the RFP. The representative from Purchasing and Supply is responsible for documenting the determination of best value. The criteria and analysis to determine best value will be included (if applicable) in the report to Committee and City Council.
- 12.12 With respect to all reports initiated for RFP, a report on the sources of financing, and other financial commentary as considered appropriate, shall be prepared.
- 12.13 Reporting will not include financial summaries of bids as this information will remain confidential. Any disclosure of information shall be made by the appropriate officer in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, as amended.
- 12.14 Unsuccessful proponents may, upon their request, attend a debriefing session with a Purchasing and Supply representative to review their competitive bid. Any discussions relating to any submissions other than that of the proponent present will be strictly prohibited. This debriefing session is intended to provide general feedback regarding the proponent's rating on various criteria in order to allow the proponent to understand where future improvements might be available.
- 12.15 The City reserves the right in its absolute sole discretion to accept or reject any submission.

### **Request for Tender (RFT) (Greater than \$100,000) – As Per Schedule “A”**

- 13.1 RFT procedures shall be used where:
  - a. The total cost is expected to be greater than \$100,000;
  - b. The requirement can be fully defined; and
  - c. Best value for the City can be achieved by an award selection made on the basis of the lowest bid that meets all terms, conditions and specifications.
- 13.2 Awards under the RFT process require the following approval:
  - a. Committee and City Council must approve award of tenders greater than \$3,000,000;
  - b. Committee and City Council must approve award of contracts when a tender result is irregular as per Section 8.10 of this Policy.
  - c. Results from \$100,000 to \$3,000,000 that do NOT have an Irregular Result may be awarded administratively.
- 13.3 The Managing Director (or delegate) shall provide to Purchasing and Supply a purchase request in writing containing the relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of

goods, services or construction. Specifications may include certain brands of product in order to facilitate standardization of the City's inventory as per Section 7.4 of this Policy.

- 13.4 The Manager of Purchasing and Supply shall be responsible for arranging for the public disclosure of bid submissions at the time and date specified by the bid call.
- 13.5 Purchasing and Supply shall forward to the Managing Director (or delegate) a summary of the bids and recommend award of the contract to the lowest compliant bidder.
- 13.6 With respect to all reports initiated for tenders, there shall be a recommendation report to Committee and City Council containing the sources of financing, and other financial commentary as considered appropriate.

The City reserves the right in its absolute sole discretion to accept or reject any submission.

### **Non-Competitive Purchases (Emergency, Sole Source, Single Source)**

- 14.1 The requirement for a competitive bid process for the selection of a supplier for goods, services and construction (except for Emergencies – see 14.2) may be waived under authority of the City Manager and replaced with direct negotiations by the Managing Director (or delegate) and Manager of Purchasing and Supply (or delegate) under the following circumstances.
  - a. The procurement qualifies as 'Sole Source' as defined in Section 14.3;
  - b. The procurement qualifies as a 'Single Source' as defined in Section 14.4.

#### **14.2 Procurement in Emergencies**

For the purposes of this section, "Emergency" means an event or occurrence that the City Manager or Managing Director deem as an immediate threat to:

- Public health;
- The maintenance of essential City services; or
- The welfare and protection of persons, property, or the environment; and the event or occurrence necessitates the immediate need for goods or services to mitigate the emergency and time does not permit for a competitive procurement process.

In the event of an Emergency the City Manager or Managing Director and their respective delegates, Fire Chief or a Deputy Fire Chief, or Chief Building Official or Deputy Chief Building Official, are authorized to enter into a purchase agreement without the requirement for a formal competitive process.

A list of pre-qualified suppliers will be used to select the suppliers, whenever possible.

Where the procurement cost to mitigate the Emergency is anticipated to exceed \$50,000, there must be a notification sent (e-mail contact is acceptable) to the Manager of Purchasing and Supply or delegate. The steps taken to mitigate the Emergency must always be clearly documented regardless of amount and where the aggregate costs for a single supplier are in excess of \$50,000, the emergency procurement shall be reported by the responsible Managing Director to Committee and City Council (including the source of financing) at the next scheduled meeting following the event. The Managing Director responsible for the area leading the emergency procurement must forward the appropriate purchase requisition(s) to the Manager of Purchasing and Supply within five (5) business days after the mitigation activities associated with the emergency event have been terminated.

#### **14.3 Sole Source**

The procurement may be conducted using a Sole Source process if the goods and/or services are available from only one supplier by reason of:

- a. Statutory or market based monopoly;
- b. Competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, license, technical secrets or controls of raw material; or
- c. The complete item, service, or system is unique to one supplier and no alternative or substitute exists

#### 14.4 Single Source

Single Source means that there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specifications.

The procurement may be conducted using a Single Source process if the goods and/or services are available from more than one source, but there are valid and sufficient reasons for selecting one supplier in particular, as follows:

- a. An attempt to acquire the required goods and/or services by soliciting competitive bids has been made in good faith, but has failed to identify more than one willing and compliant supplier;
- b. The confidential nature of the requirement is such that it would not be in the public interest to solicit competitive bids;
- c. Construction, renovations, repairs, maintenance etc. in respect of a building leased by the City may only be done by the lessor of the building, in accordance with a lease agreement;
- d. There is a need for compatibility with goods and/or services previously acquired or the required goods and/or services will be additional to similar goods and/or services being supplied under an existing contract (i.e. contract extension or renewal);
- e. The required goods and/or services are to be supplied by a particular supplier(s) having special knowledge, skills, expertise or experience;
- f. The goods are purchased under circumstances which are exceptionally advantageous to the City, such as in the case of a bankruptcy or receivership;
- g. It is advantageous to the City to acquire the goods or services from a supplier pursuant to the procurement process conducted by another public body;
- h. It is advantageous to the City to acquire the goods or services directly from another public body or public service body;
- i. Another organization is funding or substantially funding the acquisition and has determined the supplier, and the terms and conditions of the commitment into which the City will enter are acceptable to the City;
- j. The acquisition is for a particular brand of goods or services that are intended solely for resale to the public and no other brand is desirable and the brand is not available from any other source; or
- k. Where due to abnormal market conditions, the goods, services or construction required are in short supply.

#### 14.5 Sole Source and Single Source – Approval and Reporting

- a. Awards which qualify to be considered as a Single Source or Sole Source process require the following approval:

- i. the Managing Director and Manager of Purchasing and Supply, must jointly approve an award not exceeding \$50,000;
  - ii. Committee and City Council must approve an award greater than \$50,000, unless otherwise permitted by this Policy.
- b. For awards under Section 14.5.a.ii, the Managing Director is responsible for submitting a report to Committee and City Council detailing the rationale supporting their decision.

## **Appointment of Professional Consulting Services**

### **15.1 General**

- a. Senior management staff will be involved in the selection process for Professional Consulting Services. Specifically, Division Managers are to be involved with all projects, and Managing Directors and the City Manager, as appropriate for high-profile projects of increasing complexity or expense.
- b. Under no circumstances shall an extension or expansion of a consulting engagement preclude the required approvals. This includes splitting the project or scope of work into multiple phases or sections. City Council has sole authority to approve and award contracts greater than \$100,000.
- c. If a consulting engagement that has been awarded administratively then exceeds the approval threshold of \$100,000, the Managing Director shall immediately prepare a report to City Council providing a status update and requesting approval to proceed (if applicable).
- d. The Managing Director shall be responsible for ensuring that any substantive clause changes to the standard consulting services agreement are reviewed by the City Solicitor (or delegate) and the agreement is executed by the Mayor and Clerk.
- e. The Managing Director shall be responsible for obtaining and submitting the appropriate insurance and WSIB documents to Risk Management.
- f. The Managing Director shall be responsible for ensuring that all proposal responses and decision making rationale are retained in the client Service Area files in accordance with City Council approved by-laws for records retention, or a minimum of two (2) years.
- g. The Managing Directors shall provide the Manager of Purchasing and Supply, on an annual basis, no later than March 1, administrative awards made in their area to any Professional Consulting Service firms (Sections 15.2 and 15.3) with an aggregate total greater than \$100,000. The Manager of Purchasing and Supply shall coordinate data collection and prepare an annual Appointment of Professional Consulting Services report for submission to City Council, no later than April 30.

### **15.2 Consulting Engineers, Architects, Landscape Architects and Environmental Consultants**

The selection of Professional Consulting Services will follow the requirements of Section 15.1 and;

- a. The City's appointment of Consulting Engineers, Architects, Landscape Architects and Environmental Consultants Policy is adapted from the National Best Practice for Consultant Selection as described in more detail in the current council adopted City of London Grouped Consultant Selection Process.
- b. A list of pre-approved firms (Consulting Engineers, Architects, Landscape Architects and Environmental Consultants) that provide professional consulting



services shall be established by the Managing Director for their respective areas. This candidate firm list shall be supplied to the Manager of Purchasing and Supply on an annual basis, no later than March 1.

- c. Assignments for projects which have estimated fees of less than \$100,000 shall be awarded by the Managing Director to listed candidate firms based on an evaluation of the firm's competency, expertise, costs, past performance on City projects, available capacity, and the size of their operation and the particulars of the work to be done.
- d. Assignments for projects which are more complex in nature but which are within the capability of firms included on the above-mentioned pre-approved list and have estimated fees between \$100,000 and \$365,700, shall be assigned on the basis of a proposal submitted by a minimum of three (3) qualified firms from the list stating their approach to the proposed project and their experience and knowledge of projects of a similar nature. Grouped Consultant Selection process may be undertaken for more than one project if the projects are similar in nature, the consultants possess the skills necessary to undertake this type of work and efficiencies are realized by the City. The process for undertaking grouped consultant selections is further described in the latest version of the council adopted City of London Grouped Consultant Selection Process.
- e. Assignments for complex projects, or projects with estimated consulting fees greater than \$365,700 shall be awarded based on a two (2) stage process with the first stage being an open, publicly advertised expression of interest/pre-qualification stage (REOI/RFQUAL), and the second being a RFP of the short-listed firms, of which there shall be a minimum of three (3) qualified firms stating their approach to the proposed project and their experience and knowledge of projects similar in nature.
- f. The assignments outlined in parts d) and e) above and their related budget shall be subject to the approval of City Council. Prior to award by City Council, City staff will negotiate with the recommended consultant to establish estimated personnel costs and other charges required for these assignments. It is anticipated that an upset fee will be established for the first phase of the project as directed by the Managing Director. City Council approval will be for the entire project noting that the consultant shall obtain the approval of the appropriate Managing Director to proceed with subsequent phases to upset limits as appropriate to the work within the limit of the budget.
- g. A consulting firm which has satisfactorily partially completed a project may be recommended for award of the balance of a project without competition subject to satisfying all financial, reporting and other conditions contained within this Policy. This should be to the financial advantage of the City due to the fact that such a consultant has specific knowledge of the project and has undertaken work for which duplication would be required if another firm were to be selected.

### 15.3 Other Professional Consulting Services

The selection of Professional Consulting Services which are not included under Section 15.2 will follow the requirements of Section 15.1 and;

- a. Projects which have estimated fees of less than \$100,000 may be awarded by the Managing Director in consultation with the Manager of Purchasing and Supply under the following circumstances:
  - i. the project requires special knowledge, skills, expertise or experience; or
  - ii. another organization is funding or substantially funding the project and has already selected a preferred firm and/or strict timelines have been placed on the funding; or

- iii. the confidential nature of the project is such that it would not be in the public interest to solicit competitive bids; or
  - iv. the preferred firm has already been selected through a formal procurement process by another public body to provide same or similar services; or
  - v. the project requirement meets the definition of Sole Source, Section 14.3.
- b. The Managing Director is responsible for detailing the rationale supporting their decision to award the recommended firm.
  - c. Under this section, all professional consultant proposals must include, at minimum:
    - i. Schedule of fees; and
    - ii. Methodology and timeline to complete project; and
    - iii. Demonstrated experience and qualifications required to perform project; and
    - iv. List of personnel who will be directly involved in the completion of the project.
  - d. All requirements for Other Professional Consulting Services (section 15.3) not meeting the selection requirements of section 15.3 a. shall follow the RFP process outlined in section 12.0.

### **Blanket Purchase Contracts**

- 16.1 A Request for a Blanket Purchase Contract may be used where:
  - a. One (1) or more clients repetitively order the same goods or services and the actual demand is not known in advance; and
  - b. A need is anticipated for a range of goods and/or services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.
- 16.2 Purchasing and Supply shall establish and maintain Blanket Purchase Contracts that define source and price with selected suppliers for all frequently used goods or services.
- 16.3 To establish prices and select sources, Purchasing and Supply shall employ the provisions contained in this Policy for the acquisition of goods and/or services and construction labour and materials.
- 16.4 More than one (1) supplier may be selected for the supply of goods or services where it is in the best interests of the City.
- 16.5 Where procurement action is initiated by a Service Area for frequently used goods or services, it is to be made with the supplier or suppliers listed in the Blanket Purchase Contract.
- 16.6 In a Request for Blanket Purchase Contract, the expected quantity of the specified goods or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage adjusted for any known factors that may change usage.

## **Requirement for Approved Funds**

- 17.1 The exercise of authority to award a contract is subject to the identification and availability of sufficient funds in appropriate accounts within City Council approved budget.
- 17.2 Where goods and/or 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 City Council approved budget;
  - b. The requirement for the goods or services will continue to exist in subsequent years and, in the opinion of the City Treasurer, the required funding can reasonably be expected to be made available; and
  - c. The contract containing a provision that the supply of goods or services in subsequent years is subject to the approval by Committee and City Council of the Service Area estimates to meet the proposed expenditures.
- 17.3 **Construction Tender Call Before and After Approvals**
- a. Following the adoption of the capital budget by City Council, the Manager of Purchasing and Supply is authorized to call tenders for municipal construction projects and the acquisition of equipment.
  - b. Notwithstanding Section 17.3.a, the Manager of Purchasing and Supply is authorized to obtain, prior to the adoption of the capital budget by City Council, sealed bids for material construction projects and equipment, provided that the documents include a clause specifically stating that the acceptance of a bid and placing of the order is subject to budget approval by Committee and City Council and the items specified are subject to change in quantity and/or deletion.

## **Purchasing Cards**

- 18.1 **General**
- a. Service Area approved employees will be issued Purchasing Cards to use for low-dollar goods and/or services in support of sound business practices. Purchasing Card provision is based on the need to purchase goods and services for the City and the card may be revoked based on change of assignment or location. The provision of a Purchasing Card is not an entitlement nor reflective of title or position.
  - b. Benefits of the Corporate Purchasing Card program accrue at the Corporate Finance level by reducing the number of invoices and cheques processed and at the supplier level by reducing their invoicing to the City and the turnaround time for payment.
  - c. No employee shall use a Purchasing Card to purchase goods and/or services unless appointed and authorized by the employee's Managing Director (or delegate). Any use of a Purchasing Card shall be in accordance with the Procurement of Goods and Services Policy and all other applicable City by-laws and policies. The requirements for low dollar purchases are specifically covered under Section 9 of the Procurement of Goods and Services Policy. Managing Directors are ultimately responsible for ensuring that purchases within their Service Area are made in accordance with the applicable by-laws and policies.
  - d. A Purchasing Card will be issued once the employee has read, signed and submitted the Cardholder Agreement Form to the Program Administrator, which sets out in writing the employee's responsibilities and restrictions regarding the use of the Purchasing Card.

- e. All Purchasing Cards issued will have a predetermined 'single transaction limit', a 'monthly credit limit' and 'blocked commodities' as determined and authorized by the applicable Managing Director (or delegate) and City Treasurer. All Purchasing Cards will be blocked from obtaining cash advances.
- f. The dollar limit for individual purchases and monthly spending limit for each employee will be determined by the Managing Director (or delegate) of their Service Area based on their expected level of procurement and type of procurement. Cardholder limits for single or monthly transactions exceeding \$15,000 must be approved in writing by the Manager of Purchasing and Supply.
- g. Suppliers will not be rejected for refusing to accept the Purchasing Card.
- h. The City assumes liability for all authorized charges on the Purchasing Cards, not the individual cardholder.

#### 18.2 Program Administration, Audit and Monthly Reconciliation

- a. Oversight and administration of the Purchasing Card program is the responsibility of Financial Services and a Program Administrator has been identified in this area. The Program Administrator will maintain a master list of all Purchasing Cards and their limits. In addition, the Program Administrator will establish reporting mechanisms for monthly reconciliation of accounts.
- b. All transactions are subject to review by internal and/or external audit groups. Quarterly reviews to ensure compliance with the Procurement of Goods and Services Policy will be performed by the Manager of Purchasing and Supply. Periodic reviews to ensure compliance with other approved Council by-laws and policies will be performed by Financial Services. All serious compliance issues will be reported to the City Treasurer and Internal Auditor. Less significant compliance issues will be directed to the cardholder's supervisor/manager. A record of all compliance issues will be maintained by the Program Administrator.
- c. All requests for Purchasing Cards, maintenance forms and other documents are to be submitted to the Program Administrator for review and processing. Cardholder or cardholder representatives are not permitted to submit forms directly to the bank. All original cardholder agreements and other cardholder maintenance forms are to be maintained by the Program Administrator.
- d. Payment will automatically be withdrawn from the General Operating Bank Account following the monthly statement date. If individual cards have not been reconciled and approved for payment by the deadline each month, expenditures will be charged directly to the default cost center attached to the card. Service Area representatives are responsible to ensure that the statement is submitted and the expenditures are allocated to the correct general ledger accounts.
- e. Reconciled and authorized monthly statements are to be submitted to Corporate Finance no later than the last working day of the month. Each transaction must include an explanation or purpose of the expenditure.
- f. Cardholders shall provide original detailed and itemized receipts for each transaction with the monthly cardholder statement. If circumstances arise where a detailed receipt cannot be obtained, a Declaration Form may be submitted in place of a detailed receipt. Declaration Form limits and procedures shall be determined by the City Treasurer or delegate.

#### 18.3 Responsibilities and Restrictions

- a. The Purchasing Card shall not be used:
  - i. for any purchase of goods and/or services that are prohibited under the Procurement of Goods and Services Policy any other City by-law or policy;

- ii. for personal use other than incidental personal use as part of a business expense, which must be reimbursed at the time of the monthly reconciliation;
  - iii. when the total purchase price exceeds the single purchase limit on the card;
  - iv. when an exclusive contract with another vendor is in effect for the goods and/or service (unless pre-authorized in writing by the Manager of Purchasing and Supply);
  - v. for items which are stocked at City Stores except under extenuating circumstances; and,
  - vi. for any computer software, hardware and/or telecommunications equipment such as telephones, cellular phones, tablets and mobile radios except by designated staff in Information Technology Division authorized by the Director, Information Technology Services or designate.
- b. The following items require pre-authorized written approval by the cardholder's Expense Review Officer:
- i. The purchase of prepaid gift cards, prepaid gift certificates, prepaid grocery cards, or any other prepaid merchant cards; or,
  - ii. The purchase of alcohol while on City business, team building, employee appreciation, or otherwise. Note: alcohol purchased for resale to the public at City facilities (e.g. Golf Courses) is exempted from this specific restriction.

A copy of the written approval must be included with the monthly statement when submitted to Financial Services.

- c. Individual transactions are not to be subject to splitting or stringing, which is the practice of committing multiple purchasing card transactions to circumvent delegated authority levels and thus bypassing the City's competitive bidding process, nor are Purchasing Cards to be used on a repetitive basis to circumvent prescribed approval authority limits. With the appropriate approvals, cardholder limits may be increased either temporarily or permanently based on need by contacting the Program Administrator or submitting an authorized Cardholder Maintenance Form.
- d. All refunds and credits must be applied to the original Purchasing Card. Where vendor return policies allow, cardholders are not to return products for refunds in the form of gift cards or other prepaid cards.
- e. Permanent full-time employment status is required to obtain a Purchasing Card. Students, contractors, consultants or seasonal employees will not be granted a card except under special circumstances and approved in writing by the City Manager.
- f. The Purchasing Card is user-specific and therefore no employee shall attempt to purchase an item using a card issued to another employee. Delegation of authority is not permitted in making transactions.
- g. The cardholder's supervisor/manager is responsible for notifying the Program Administrator immediately upon any change in the cardholder's employment status. This includes, but is not limited to termination, layoff, leave of absence and long term disability. If applicable, the plastic card should also be returned to the Program Administrator.
- h. Employees will adhere to the Corporation's Code of Ethics, Section (a), which states 'an employee will use his/her position with the Corporation solely for the

gain and service of the Corporation and not to secure advantage, benefit, favour, or service for self, relatives, friends or associates. This includes the selection of a vendor based upon 'air miles' or 'reward points' that reward customers for purchases.

- i. When a Purchasing Card is used to procure goods and/or services (including meals or items that would be considered personal in nature) and two (2) or more City employees are present, the most senior person in organizational authority must pay for the expenditure and prepare the respective monthly cardholder statement. If this is not feasible, the cardholder statement listing the expenditure shall be approved by the manager or Expense Review Officer, as outlined in the Corporate Travel and Business Expense Policy of the most senior person in authority present.

#### 18.4 Misuse and/or Failure to Meet Cardholder's Responsibilities

Misuse of the Purchasing Card and/or failure to meet any of the Cardholder's responsibilities may result in cancellation of the employee's authority to use a Purchasing Card and/or further disciplinary action up to and including termination of employment.

### **Bid Administration**

#### 19.1 Submission of Bids

The City uses an electronic bidding system. The bidding rules are contained within the system.

#### 19.2 Bid Irregularities

Where a bid is received that includes irregularities, the City will follow the protocol as appropriate for the particular irregularity. The protocol for bid irregularities and their associated responses are detailed in Schedule "C". Mandatory Requirements MUST be met or there will be an Automatic rejection.

#### 19.3 No Acceptable or Equal Bids

- a. Where bids are received that exceed budget, are not responsive to the requirement, or do not represent fair market value, a revised competitive bid shall be issued in an effort to obtain an acceptable bid unless Section 19.3.b applies.
- b. The Managing Director and the Manager of Purchasing and Supply jointly may waive the need for a revised competitive bid and enter into negotiations with the lowest responsive bidder, emanating from a competitive bid, under the following circumstances:
  - i. the total cost of the lowest responsive bid is in excess of the funds appropriated by City Council for the project; and,
  - ii. the Managing Director and the Manager of Purchasing and Supply agree that the changes required to achieve an acceptable bid will not change the general nature of the requirement described in the competitive bid.
- c. The method of negotiation shall be those accepted as standard negotiating procedures that employ ethical public procurement practices in consultation with the Manager of Purchasing and Supply.
- d. In the case of building construction contracts, where the total cost of the lowest responsive bid is in excess of the appropriation made by City Council, negotiations shall be made in accordance with the guidelines established by the Canadian Construction Documents Committee and in consultation with the Manager of Purchasing and Supply.

- e. The City reserves the right in its absolute and sole discretion to cease negotiations and reject any offer.
- f. In the unlikely event that two (2) or more compliant equal bids are submitted during a competitive bid process, Purchasing and Supply will offer an opportunity for bidders to re- bid. Should a tie persist, the following factors will be considered:
  - i. payment discount;
  - ii. when delivery is an important factor, the bidder offering the best delivery date is given preference;
  - iii. a bidder in a position to offer better after sales service, with a good record in this regard shall be given preference;
  - iv. a bidder with an overall satisfactory performance record shall be given preference over a bidder known to have an unsatisfactory performance record or no previous experience with the City; and,
  - v. if the considerations above do not break the tie, equal bidders shall draw straws in no preferential order held by the Manager of Purchasing and Supply or delegate and witnessed by a member of the Purchasing and Supply Team. The bidder who draws the longest straw will be the winner, and thus breaking the tie.

#### 19.4 Only One Bid Received

- a. In the event only one bid is received in response to a competitive bid, the Manager of Purchasing and Supply may return the unopened bid to the bidder when, in the opinion of the Managing Director (or delegate) and the Manager of Purchasing and Supply, using criteria, based on the number of bids which might reasonably be expected on a given type of bid, additional bids could be secured. In returning the unopened bid, the Manager of Purchasing and Supply shall inform the bidder that the City may be re-issuing the competitive bid at a later date
- b. In the event that only one bid is received in response to a request for competitive bid, the bid may be opened and evaluated in accordance with the City's usual procedures when, in the opinion of the Managing Director (or delegate) and the Manager of Purchasing and Supply, the bid should be considered by the City. If, after evaluation by the Managing Director (or delegate) and the Manager of Purchasing and Supply, the bid is found not to be acceptable, they may follow the procedures set out in Section 19.3.a., with necessary modifications
- c. In the event that the bid received is found acceptable, it will be awarded as an Irregular Result under Schedule "A" of this Policy.

#### 19.5 Exclusion of Bidders Due to Poor Performance

- a. The City Treasurer may, in consultation with the City Solicitor, prohibit unsatisfactory suppliers and contractors from bidding on any future competitive bids for a time period appropriate with the results of the performance evaluation process as outlined in Section 20.5.
- b. Suppliers may also be prohibited from bidding on any future contract if they maintain officers, Managing Directors, or employees who are also officers, Managing Directors, or employers of suppliers who have already been prohibited from bidding based on the results of the performance evaluation process as outlined in Section 20.5 of this Policy.

#### 19.6 Exclusion of Bidders in Litigation and disputes or appeals of contract awards

- a. The City may, in its absolute sole discretion, reject a bid submitted if the bidder, or any officer or Managing Director of the bidder is or has been engaged, either

directly or indirectly through another Corporation or personally, in a legal action against the City, its elected or appointed officers and employees in relation to:

- i. any other contract or services; or,
  - ii. any matter arising from the City's exercise of its powers, duties, or functions; or,
  - iii. a dispute and/or an appeal of contract awards as per section 2.9
- b. In determining whether or not to reject a bid under this clause, the City will consider whether the litigation is likely to affect the bidder's ability to work with the City, its consultants and representatives, and whether the City's experience with the bidder indicates that the City is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the bidder.

## **Contract Administration**

### **20.1 Contractual Agreement**

- a. The award of a contract may be made by way of an Agreement, Contract Record or Purchase Order.
- b. A Purchase Order or Contract Record is to be used when the resulting contract is straightforward and will contain the City's standard terms and conditions.
- c. Agreement is to be used when the resulting contract is complex and will contain terms and conditions other than the City's standard terms and conditions.
- d. It shall be the responsibility of the Managing Director (or delegate) with the Manager of Purchasing and Supply and/or the City Solicitor to determine if it is in the best interest of the City to establish an agreement with the supplier.
- e. Where it is determined that Section 20.1.d is to apply, the agreement shall be reviewed for execution by the City Solicitor.
- f. Where an agreement is required, as a result of the award of a contract by delegated authority, the Mayor and City Clerk shall execute the agreement in the name of the City.
- g. Where an agreement is issued, Purchasing and Supply may issue a Purchase Order or Contract Record incorporating the formal agreement.
- h. Where an agreement is not required, Purchasing and Supply shall issue an authorized Purchase Order or Contract Record incorporating the terms and conditions relevant to the award of contract.

### **20.2 Exercise of Contract Renewal Options**

- a. Where a contract contains an option for renewal, the Managing Director may authorize Purchasing and Supply to exercise such option provided that all of the following apply:
  - i. the supplier's performance in supplying the goods and/or services or construction is considered to have met the requirements of the contract;
  - ii. any price increases are consistent with the prevailing market conditions for the goods or services being purchased;
  - iii. the facts justifying the decision to award this supplier previously are still relevant at the time of contract renewal
  - iv. funds are available or will be available in appropriate accounts within City Council approved budget, including authorized revisions, to meet the proposed expenditure;



- v. The Committee report, if applicable, clearly identified the options to extend;
  - vi. the Managing Director and the Manager of Purchasing and Supply agree that the exercise of the option is in the best interest of the City; and,
  - vii. compliance with Sections i) through v) is documented, authorized by the Managing Director and forwarded to Purchasing and Supply.
- b. Approval for contract renewals and extensions shall be governed by Section 8.5 and Schedule "A".

### 20.3 Contract Amendments

- a. No amendment to a contract shall be made unless the amendment is in the best interest of the City.
- b. No amendment that changes the price of a contract shall be agreed to without a corresponding change in requirement or scope of work.
- c. Amendments to contracts are subject to the identification and availability of sufficient funds in appropriate accounts within City Council approved budgets including authorized amendments.
- d. Managing Directors may authorize amendments when:
  - i. the total amended value of the contract (original contract plus amendment) is within the approval limit as noted in Schedule "A"; or
  - ii. the contract amendment will not exceed the Council approved source of financing by an amount greater than \$50,000 or 3% of contract value, whichever is greater, and there are funds available.
- e. City Council must authorize contract amendments when:
  - i. the total amended value of the contract will be greater than the administrative (Managing Director) approval threshold; or
  - ii. the total amended value of the contract will exceed the Council approved source of financing by an amount greater than \$50,000 or 3% of contract value, whichever is greater, and there are funds available.

### 20.4 Execution and Custody of Documents

- a. The Mayor and City Clerk are authorized as per By-law A-1 or resolution by Council to execute formal agreements in the name of the City for which the award was made by delegated authority.
- b. Purchasing and Supply shall have the authority to execute Purchase Orders and/or Contract Records issued in accordance with this Policy.
- c. Purchasing and Supply shall be responsible for the safeguarding of all original procurement and contract documents/records for the contracting of goods, services or construction for which the award is made by delegated authority.
- d. Managing Directors are responsible for executing and retaining all documents in accordance with Section 10.3.e of this Policy.

### 20.5 Performance Evaluation

- a. At the outset of a project, the client Service Area manager shall institute a performance evaluation process in contracts where the Manager and/or Purchasing and Supply determine that a performance evaluation would be appropriate
- b. The performance evaluation shall rate the performance of the supplier, contractor or consultant on standard criteria adopted from time to time (i.e.

failure to meet contract specifications, terms and conditions, health and safety violations, etc.). A copy of the introductory letter and performance evaluations shall be provided to the supplier, contractor or consultant in advance of the contract, and shall remain constant for the duration of the contract. Performance issues must be noted in writing with a copy to the supplier, Purchasing and Supply and a copy to the Service Area project file. Performance issues must also be noted in any project meeting minutes

- c. On completion of the project, the client Service Area manager will meet with Purchasing and Supply to review the evaluation. All supporting documents pertaining to any substandard performance and comments must be attached to the evaluation document. Purchasing and Supply will forward a copy of the completed evaluation to the supplier, contractor or consultant for their records. The supplier, contractor or consultant may request a meeting with the client Service Area manager and a representative from Purchasing and Supply to discuss the evaluation and shall have twenty (20) calendar days following delivery of the evaluation to request an appeal. This appeal shall be forwarded to Purchasing and Supply.
- d. The appeal shall be conducted by a dispute committee which will hear from both City staff or its consultants and the supplier at a time and place appointed in writing by the Committee. The decision of the Dispute Committee shall be in writing and it shall be final.
- e. The performance evaluation shall determine whether a supplier, contractor or consultant will:
  - i. be allowed to renew a contract with the City;
  - ii. be placed on a probationary list for a minimum of two (2) years during which time they shall be permitted to bid or propose work for the City with the understanding that the work will be closely monitored; or
  - iii. be prohibited from bidding on any contracts with the City during a three (3) year period, followed by a one (1) year probationary period after reinstatement as provided for in Section 19.5.
- f. In reaching a decision, the Dispute Committee shall rely upon the evaluation criteria determined in advance of the project and the results of prior performance evaluations relating to other contracts performed by the same supplier.
- g. No tender, proposal or quotation will be accepted from any supplier during the term of the suspension.

## **General**

### 21.1 Cooperative Purchasing

- a. The City may participate with other government agencies or public authorities in cooperative purchasing where it is in the best interests of the City to do so.
- b. The decision to participate in cooperative purchasing agreements will be made by the Manager of Purchasing and Supply
- c. The individual policies of the government agencies or public authorities participating in the cooperative competitive bid are to be the accepted by-law for that particular competitive bid.

### 21.2 Direct Solicitation

- a. Unsolicited proposals received by the City shall be referred to the Manager of Purchasing and Supply for review.

- b. Any procurement activity resulting from the receipt of an unsolicited proposal shall comply with the provisions of this Policy.
- c. A contract resulting from an unsolicited proposal shall be awarded on a non-competitive basis only when the procurement complies with the requirements of a non-competitive procurement, as detailed in Section 14.

### 21.3 Resolution of Questions

Any question involving the meaning or application of this Policy is to be submitted to the City Treasurer who will resolve the question.

### 21.4 Access to Information

- a. The disclosure of information received relevant to the issue of competitive bids or the award of contracts emanating from competitive bids shall be made by the appropriate officers in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, as amended.
- b. All records and information pertaining to competitive bids, which reveal a trade secret or scientific, technical, commercial, financial or other labour relations information, supplied in confidence implicitly or explicitly, shall remain confidential if the disclosure could reasonably be expected to:
  - i. significantly prejudice the competitive position or significantly interfere with the contractual or other negotiations of a person, corporation or other entity that responds, or intends to respond to a request for bids;
  - ii. result in similar information no longer being supplied to the City where it is in the public interest that similar information continues to be so supplied;
  - iii. result in undue loss or gain to any person, group, committee or financial institution or agency; or,
  - iv. result in information whose disclosure could reasonably be expected to be injurious to the financial interests of the City.

### 21.5 Local or Geographical Preference

The City shall not give any local or geographical preference during the competitive bid process. The City may mandate certain bona fide on-site response time requirements for specific situations.

### 21.6 Terms and Conditions

All standard City Terms and Conditions for all procurement activities will govern unless there is written approval for the proposed changes from the Client Managing Director and the City Solicitor

### 21.7 Receipt of Goods

- a. Managing Directors or any employee exercising delegated authority approval shall:
  - i. arrange for the prompt inspection of goods on receipt to confirm conformance with the terms of the contract; and
  - ii. inform Purchasing and Supply of discrepancies immediately.
- b. Purchasing and Supply shall coordinate an appropriate course of action with the Managing Director for any non-performance or discrepancies.

### 21.8 City of London Regional Water Supply Division

This Policy will apply to all City of London Regional Water Supply Division procurement up to the approvals required by Committee and City Council. Approvals beyond these

dollar value thresholds will be made by the Joint Boards of Management for the Lake Huron and Elgin Area Water Supply Systems.

#### 21.9 Application of Trade Agreements

This Policy is subject to applicable Trade Agreements.

## **SCHEDULE “A” – Levels of Contract Approval Authority**

Sales taxes, excise taxes, goods and service taxes and duties shall be excluded in determining the price of a contract for the supply of goods or services for the purpose of the relationship of the price to the preauthorized expenditure limit. In the case of multi-year supply and/or service contracts, the preauthorized expenditure limit shall refer to the estimated annual expenditure under the contract. Emergencies as defined in Section 14.2 are exempt from this Approval Authority.

<b>Dollar Value (excluding taxes, duty or shipping)</b>	<b>Tool / Procurement Process</b>	<b>Approval Authority</b>	<b>Policy Section</b>
Under \$15,000	Purchasing Card or Purchase Order	Managing Director or any employee exercising delegated authority approval	9
Greater than \$15,000 to \$50,000	IRFQ (Informal Request for Quotation) – three written quotes.  <b>Note:</b> A copy of the quotes must be provided to Purchasing and Supply for their records.	Managing Director or any employee exercising delegated authority approval	10
Greater than \$50,000 to \$100,000	RFQ	Managing Director or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)	11
Up to \$100,000	RFP	Managing Director or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)	12
Greater than \$100,000 to \$3,000,000	RFT without an Irregular Result	Managing Director or any employee exercising delegated authority approval and Manager of Purchasing and Supply (jointly)	13
Greater than \$3,000,000	RFT	Committee and City Council	13
Greater than \$100,000	All RFQ and RFP.  RFT with an Irregular Result	Committee and City Council	11,12,13 & 8.10
Up to \$50,000	Single Source or Sole Source	Managing Director and Manager of Purchasing and Supply (jointly) – requires documented rationale	14.3 & 14.4
Greater than \$50,000	Single Source or Sole Source	Committee and City Council	14.3 & 14.4

Dollar Value (excluding taxes, duty or shipping)	Tool / Procurement Process	Approval Authority	Policy Section
Less than \$3,000,000	Contract Extensions – previously approved by City Council	Managing Director and Manager of Purchasing and Supply (jointly) – requires documented rationale	20.2
Greater than \$3,000,000	Contract Extensions – previously approved by City Council	Committee and City Council	20.2
Up to \$50,000 or 3% of the Contract Value	Contract Amendments – subject to availability of sufficient funds in appropriate accounts and budget	Managing Director or any employee exercising delegated authority approval OR Committee and City Council	20.3

**Note:** The City Manager may also exercise the approval authority of a Managing Director.

**Note:** For all IRFQ, RFQ, RFP, RFT as outlined under policy sections 8.10,10, 11, 12, and 13, the criteria and analysis to determine best value must be clearly documented if not the lowest bid.

**SCHEDULE “A” – Levels of Contract Approval Authority [Continued]**

**For the Appointment of Professional Consulting Services:**

<b>Dollar Value (excluding taxes, duty or shipping)</b>	<b>Tool / Procurement Process</b>	<b>Approval Authority</b>	<b>Policy Section</b>
Less than \$100,000	Appointment from Pre- approved List	Managing Director	15
\$100,000 to \$365,700	Proposals invited from 3 Firms on Pre-approved List	City Council	15
Greater than \$365,700	Two stages: REOI/RFQUAL and RFP	City Council	15

**Note:** The City Manager may also exercise the approval authority of a Managing Director.

## **SCHEDULE “B” – Goods and/or Services NOT Subject to this Policy**

1. Training and Education including:
  - i. Conferences, Seminars, Courses and Conventions ii Magazines, Subscriptions, Periodicals
  - ii. Memberships
  - iii. Staff Development
  - iv. Staff Workshops
  - v. Staff Relations
2. Refundable Employee Expenses in accordance with the Travel and Business Expense Policy.
3. Corporate General Expenses including:
  - i. Payroll and Payroll Deductions
  - ii. Medicals
  - iii. Insurance Premiums, Claim Settlements and Adjuster Services
  - iv. Tax Remittances, GST/HST Cost Recovery Reviews and WSIB Remittances
  - v. Charges to and from Other Government Agencies
  - vi. Development Charges
  - vii. Postage
  - viii. Newspaper Advertising
  - ix. Retirement Recognition Awards
  - x. Investment Management Services
  - xi. Employee Group Benefits, Compensation, Programs, Consulting and Reviews
4. Licenses, certificates and other approvals required.
5. Election materials - The City Clerk has the authority to purchase goods, services and equipment considered necessary or advisable to carry out the requirements of the Municipal Elections Act, R.S.O. 1996, as amended. The City Clerk shall wherever possible be guided by the provisions of this Policy.
6. Ongoing maintenance and actions to maintain present functionality of existing computer hardware and software. All requests for purchases of computer systems (hardware and software that will be connected to the corporate network) must be reviewed by Information Technology Services and expressly authorized, in writing, by the Director, Information Technology Services or designate.
7. Professional and skilled services provided to individuals as part of approved programs within Corporate or Community Services including but not limited to medical services, home care services, counseling services and child care.
8. Professional and special services up to \$100,000, or defined more specifically in another City by-law or Council Policy, including, but not limited to:
  - i. Additional Non-recurring Accounting and Auditing Services
  - ii. Public Debenture Sales



- iii. Realty Services for Lease, Acquisition, Demolition, Sale and Appraisal of Land and Property, including Appraisal and Consulting Services relating to matters of Expropriation
- iv. Performance / Artist's Fees
- v. Property Tax Bill Printing and Mailing Services
- vi. Integrity Commissioner Services

Professional and special services exceeding \$100,000 must follow the approval process outlined on Schedule "A".

- 9. Utilities - Water and Waste Water, Electricity, Electrical Inspection Services, Phone and Natural Gas.
- 10. Construction work completed by Railways (CN and CP) and billed to the City.
- 11. Urgent Facilities Maintenance/Repairs/Renovations as deemed appropriate by the City Treasurer and/or City Engineer with the concurrence of the City Manager.
- 12. Legal Services and Labour Relations Services as deemed appropriate by the City Solicitor and/or the Chief Human Resources Officer up to \$ 250,000.
- 13. Construction relocations as approved by the City Utilities Co-ordination Committee.
- 14. Services provided for City construction projects within a railway right-of-way as required by the rail authority having jurisdiction.
- 15. Revenue Generation Services provided to or by the City of London with the intent to generate revenue for the City.
- 16. Planning and Development or Re-development Projects to purchase, sell or repurpose property or other City assets.
- 17. Banking Services where covered by agreements and provided either directly by the City's contracted Banking Services provider or by one of the contracted Banking Services provider's strategic partners, affiliates or holdings as deemed appropriate by the City Treasurer and with the concurrence of the City Manager.

## **SCHEDULE "C" – Irregularities Contained in Bids**

<b>Irregularity</b>	<b>Response</b>
1. Late bids.	Automatic rejection
2. Insufficient financial security (no bid deposit or insufficient bid deposit).	Automatic rejection
3. Failure to insert the name of the bonding company in the space provided for in the bid documents.	Automatic rejection
4. Failure to provide a letter of agreement to bond/ letter of guarantee where required.	Automatic rejection
5. Incomplete, illegible or obscure bids or bids which contain additions not called for, erasures, alterations, errors or irregularities of any kind.	May be rejected as informal – Mandatory Requirements must be met or Automatic rejection
6. Documents, in which all addenda have not been acknowledged.	Automatic rejection
7. Failure to attend mandatory site visit.	Automatic rejection
8. Bids received on documents other than those provided by the City.	Automatic rejection
9. Failure to insert the bidder's business name in one of the two spaces provided in the bid documents.	Automatic rejection
10. Conditions placed by the bidder on the total contract price.	Automatic rejection

11. Bids containing minor mathematical errors

- a) If the amount bid for a unit price item does not agree with the extension of the estimated quantity and the bid unit price, or if the extension has not been made, the unit price shall govern and the total price shall be corrected accordingly.
- b) If both the unit price and the total price are left blank, then both shall be considered as zero.
- c) If the unit price is left blank but a total price is shown for the item, the unit price shall be established by dividing the total price by the estimated quantity.
- d) If the total price is left blank for a lump sum item, it shall be considered as zero.
- e) If the bid documents contain an error in addition and/or subtraction and/or transcription in the approved competitive bid documentation format requested (i.e. not the additional supporting documentation supplied), the error shall be corrected and the corrected total contract price shall govern.
- f) Bid documents containing prices which appear to be so unbalanced as to likely affect the interests of the City adversely may be rejected.

## **SCHEDULE “D” - Statement of Ethics for Public Purchasers**

The Ontario Public Buyers Association’s Code of Ethics is based upon the following tenets and all employees who are authorized to purchase goods and/or services on behalf of the City are to adhere to the following.

1. Open and Honest Dealings with Everyone who is Involved in the Purchasing Process. This includes all businesses with which this City contracts or from which it purchases goods and/or services, as well as all members of our staff and of the public who utilize the services of the Purchasing and Supply Team.
2. Fair and Impartial Award Recommendations for All Contracts and Tenders. This means that we do not extend preferential treatment to any supplier, including local companies. Not only is it against the law, it is not good business practice, since it limits fair and open competition for all potential suppliers and is therefore a detriment to obtaining the best possible value for each tax dollar.
3. An Irreproachable Standard of Personal Integrity on the Part of All Those Delegated as Purchasing Representatives for This City. Absolutely no gifts or favours are accepted by the purchasing representatives of this City in return for business or the consideration of business. Also, the purchasing representatives of this City do not publicly endorse one company in order to give that company an advantage over others.
4. Cooperation with Other Public Agencies in Order to Obtain the Best Possible Value for Every Tax Dollar. The City is a member of a cooperative purchasing group. Made up of several public agencies, this group pools its expertise and resources in order to practice good Value Analysis and to purchase goods and/or services in volume and save tax dollars.
5. Continuous Development of Purchasing Skills and Knowledge. All members of the Purchasing and Supply Team take advantage of the many opportunities provided by the Ontario Public Buyers Association to further their knowledge of good public purchasing principles and to maintain excellent skills.

## **SCHEDULE “E” – Materials Management Guidelines**

### **1. Materials Management and Inventory Control**

The Manager of Purchasing and Supply or delegate shall be solely responsible for the operation of all inventory and warehouse operations at Greenway Pollution Control Plant, A.J. Tyler and Exeter Road Operations centers. A system of materials management and inventory control methods shall be used to maintain an adequate level of commodities to support and supply all Service Areas.

### **2. Inventory Control System**

- a. A physical inventory of stock items shall be taken on a periodic basis.
- b. An adequate allowance for inventory obsolescence shall be maintained.

### **3. Control of Goods in Use**

The Manager of Purchasing and Supply or delegate may periodically perform a physical count and inventory of all goods that are not in inventory but are used and stored by various Service Areas. The Managing Director shall provide any necessary assistance required. As a result of such a review, goods may be placed into inventory, transferred, declared surplus or otherwise disposed.

### **4. No Separate Procurement of Commodities in Inventory**

Commodities which are available from Purchasing Stores inventory and which are suitable for the intended end use shall not be requisitioned or purchased on a direct charge basis.

### **5. Disposal of Materials and Equipment Considered to be Obsolete and/or Surplus**

- a. All Service Areas shall notify the Manager of Purchasing and Supply or delegate when items become obsolete or surplus to their requirements. Options to allow for trade-in allowance will be considered when purchasing new equipment.
- b. The Manager of Purchasing and Supply shall be responsible for ascertaining if the items can be of use to another civic Service Area rather than disposed of.
- c. Items that are not claimed for use by another Service Area may be offered for sealed bids, public auction or other public sale, depending in the opinion of the Manager of Purchasing and Supply on which method is most suitable for the equipment or material involved.
- d. Auctions are held as required dependent upon individual circumstances such as delivery of replacement items and storage capacity.
- e. The revenue from the sale of obsolete material shall be credited to the appropriate account(s).

### **6. Periodic Bids for Auctioneer Services**

The Manager of Purchasing and Supply is authorized to obtain sealed bids for auctioneer services on a periodic basis from qualified auctioneers.

### **7. Disposal of Materials and Equipment Considered to be Scrap**

- a. Where scrap material is available for disposal, the relevant area Manager shall inform the Manager of Purchasing and Supply who shall be responsible for the disposal of all scrap material belonging to the City.

- b.** The Manager of Purchasing and Supply, after determining the value and possible alternate uses of the scrap material, may dispose of the material by:
  - i.** general advertising to secure sealed bids;
  - ii.** direct contact with the appropriate dealers to view the scrap and submit offers to purchase;
  - iii.** public auction; or
  - iv.** other methods as deemed appropriate.
- c.** The revenue from the sale of scrap material shall be credited to the appropriate account(s).

## Schedule “E”

**Policy Name:** Public Notice Policy

**Legislative History:** Adopted December 17, 2007 (By-law No. A.-6151-17); Amended July 22, 2008 (By-law No. A.-6151(a)-267); Amended October 3, 2017 (By-law No. A.-6151(q)-486)

**Last Review Date:** June 25, 2018

**Service Area Lead:** City Clerk

### 1. Policy Statement

- 1.1 City Council and the Civic Administration acknowledge the importance of having an informed public. This commitment is delineated in the City Council’s values of:

Citizen Engagement: Fostering an environment that invites and encourages citizen participation and engagement; and,

Open and Accountable Government: Being accessible to citizens, listening to their needs and reporting regularly on progress.

This policy describes the circumstances in which notice shall be provided to the public and the form, manner, and times notice shall be given as required under section 270(1)4 of the *Municipal Act, 2001*.

### 2. Definitions

For the purpose of this policy,

- 2.1 “**City**” – shall mean The Corporation of the City of London
- 2.2 “**Council**” - shall mean the Municipal Council of The Corporation of the City of London
- 2.3 “**Newspaper**” - shall mean a document that:
- a) is printed in sheet form, published at regular intervals of a week or less and circulated to the general public; and
  - b) consists primarily of news of current events of general interest
- 2.4 “**Website**” – shall mean the City of London official website at [www.london.ca](http://www.london.ca)

### 3. Applicability

- 3.1 This policy shall apply to notice provided by the City to the public on various matters.

### 4. The Policy

- 4.1 Notice to the public shall be provided in the circumstances and in the form, manner, and times as follows:
- a) All circumstances set out in Appendix “A”, attached, in the form, manner and times as set out in Appendix “A”;
  - b) If required by any Act or Regulation, in the form, manner and times as prescribed in the Act or Regulation;
  - c) If required by another by-law, in the form, manner and times as set out in the said by-law;
  - d) If directed by Council, in the form, manner and times as specified by Council; or
  - e) In circumstances where, in the opinion of the City Clerk, notice is reasonable and necessary, in the form, manner and times as determined by the City Clerk.
- 4.2 No additional notice shall be required for subsequent meetings where a matter has been deferred or referred to a subsequent meeting by the Council, the Committee of the Whole, the Board of Control or a Standing Committee of the Council.

- 4.3 The notice requirements under this Policy are minimum requirements and the City Clerk may give notice to the public in an extended manner if, in the opinion of the City Clerk, the extended manner is reasonable and necessary in the circumstances.
- 4.4 Where any of the form, manner or times of notice are not specified in Appendix "A", an Act, Regulation or by-law, or where Council directs that notice be given under section 4.1(d), or the City Clerk determines that notice be given under section 4.1(e), the form, manner or times of notice shall be determined by the City Clerk.



**PUBLIC NOTICE POLICY  
“APPENDIX A”**

<b>PUBLIC NOTICE REQUIREMENTS</b>		
<b>Circumstance</b>	<b>Summary of Requirement</b>	<b>Form, Manner and Times Notice to be Given</b>
<p><b><u>BUDGET</u></b> (Section 290, <i>Municipal Act, 2001</i>) Adoption of Annual Operating, Capital, Water and Wastewater Budgets of the City</p> <p>Budget public participation meeting(s)</p>	<p>Notice of Intent to adopt the budget.</p> <p>Notice of public participation meeting(s) with respect to the adoption of the budget.</p>	<p>Notice of intent to adopt the budget shall be posted on the City’s website and may also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Council meeting at which the budget will be considered for adoption.</p> <p>Notice of any public participation meetings with respect to the budget shall be posted on the City’s website and may also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the public participation meeting.</p>
<p><b><u>SCHEDULE OF MEETINGS – REGULAR AND SPECIAL</u></b> (Section 238(2)(2.1), <i>Municipal Act, 2001</i>) Annual Schedule of Regular Council, and Standing Committee Meetings</p> <p>(Section 240, <i>Municipal Act, 2001</i>) Special meetings of Council and Special Standing Committee Meetings</p>	<p>Public notice to advise of the annual schedule of regular meetings of Council and Standing Committees.</p> <p>Public notice to advise of special meetings of Council, and/or Standing Committees.</p>	<p>Notice of the annual schedule of regular meetings of Council and Standing Committees shall be posted on the City’s website in accordance with the Procedure By-law.</p> <p>Notice of any special meetings of Council and/or Standing Committees outside of the annual schedule of regular meetings shall be posted on the City’s website in accordance with the Procedure By-law.</p>

<p><b><u>FEE OR CHARGE BY-LAW</u></b>  (Section 391, 400(f), <i>Municipal Act, 2001</i>)</p>	<p>Public notice required to advise of a minimum of one Standing Committee meeting to consider the enactment of a fee or charge by-law. The notice shall specify when and where information in regard to such a by-law may be obtained.</p> <p>Public notice required to advise of a Council meeting to consider the enactment of fees and charges by-laws regarding items in the Annual Property Tax-Supported Budget and Annual Water Services and Wastewater and Treatment Budgets.</p>	<p>Notice to advise of a Standing Committee meeting to consider the enactment of a fee or charge by-law shall be posted on the City’s website and may also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the meeting at which the fee or charge by-law is to be considered.</p> <p>Notice to advise of a Council meeting to consider the enactment of fees and charges by-laws regarding items in the Annual Property Tax-Supported Budget and Annual Water Services and Wastewater and Treatment Budgets shall be posted on the City’s website and may also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Council meeting at which the fee or charge by-law is to be considered.</p>
<p><b><u>SEIZURE OF PERSONAL PROPERTY – PUBLIC AUCTION</u></b>  Seizure of Personal Property by City Treasurer to recover taxes and costs of the seizure.  (Section 351(8), <i>Municipal Act, 2001</i>)</p>	<p>Subject to certain conditions, the Treasurer or their agent may seize personal property to recover taxes and costs of the seizure. The Treasurer or their agent is required to give the public notice of the time and place of public auction and of the name of the person whose personal property is to be sold.</p>	<p>The Treasurer or Treasurer’s agent shall give notice of the time and place of public auction of seized personal property to recover taxes and costs of the seizure, together with the name of the person whose personal property has been seized. Notice shall be published once in a newspaper of general circulation in the City of London at least 14 days prior to the auction.</p> <p>One notice sent by regular pre-paid mail, mailed to the sheriff, bailiff, assignee, liquidator, trustee or licensed trustee in bankruptcy a minimum of 21 days prior to the auction.</p>

<p><b><u>PROPOSAL TO RESTRUCTURE THE MUNICIPALITY</u></b> (Section 173, <i>Municipal Act, 2001</i>)</p>	<p>Public notice to advise of the holding of a public meeting before Council votes on whether to support or oppose a restructuring proposal.</p>	<p>Notice to advise of a public meeting to consider a restructuring proposal shall be posted on the City's website and shall also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the public meeting at which the restructuring is to be considered.</p>
<p><b><u>CHANGE OF NAME OF MUNICIPALITY</u></b> (Section 187, <i>Municipal Act, 2001</i>)</p>	<p>Public notice to advise of the holding of a Standing Committee meeting to consider the enactment of a by-law to change the municipality's name.</p>	<p>Notice to advise of a Standing Committee meeting to consider the enactment of a by-law to change the municipality's name shall be posted on the City's website and shall also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Standing Committee meeting at which the matter is to be considered.</p>
<p><b><u>DISSOLUTION OR CHANGE TO LOCAL BOARD</u></b> (Section 216, <i>Municipal Act, 2001</i>)</p>	<p>Notice to a local board required to advise of Standing Committee meeting to consider the enactment of a by-law to dissolve or change the local board.</p>	<p>One notice sent by regular, prepaid mail, mailed to the local board a minimum of 14 days prior to the Standing Committee meeting.</p>
<p><b><u>CHANGES TO COMPOSITION OF COUNCIL</u></b> (Section 217, <i>Municipal Act, 2001</i>)</p>	<p>Public notice required to advise of the holding of a public meeting by the Standing Committee designated by Council to consider the matter prior to Council's consideration of changes to the composition of Council.</p>	<p>Notice to advise of the holding of a public meeting by the Standing Committee designated by Council to consider the matter prior to Council's consideration of changes to the composition of Council, shall be posted on the City's website and shall also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Standing Committee meeting at which the matter is to be considered.</p>

<p><b><u>ESTABLISHMENT OF WARDS</u></b>          (Section 222, <i>Municipal Act, 2001</i>)</p>	<p>Public notice required to advise of the Standing Committee designated to first consider the matter prior to the Council's consideration of the enactment of a by-law dividing or re-dividing the wards or dissolving wards.</p>	<p>Notice to advise of a meeting of the Standing Committee designated to first consider the matter prior to the Council's consideration of the enactment of a by-law dividing or re-dividing the wards or dissolving wards, shall be posted on the City's website and shall also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Standing Committee meeting at which the matter is to be considered.</p> <p>Notice advising of the passing of a by-law dividing or re-dividing the wards or dissolving wards shall be published once in a newspaper of general circulation in the City of London within 15 days of the passing of the by-law, specifying the last day for filing a notice of appeal.</p>
<p><b><u>NEW PROCEDURE BY-LAW</u></b>          (Section 238, <i>Municipal Act, 2001</i>)</p>	<p>Public notice required to advise of a Standing Committee meeting to consider enactment of a new Procedure By-law or revisions to the existing Procedure By-law.</p>	<p>Notice to advise of a Standing Committee meeting to consider the enactment of a new Procedure By-law or revisions to the existing Procedure By-law shall be posted on the City's website and shall also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Standing Committee meeting at which the matter is to be considered.</p>
<p><b><u>LICENSING BY-LAW</u></b>          (Section 151, <i>Municipal Act, 2001</i>)</p>	<p>Public notice required to advise of the intention to consider the enactment of a licensing by-law.</p>	<p>Notice to advise of a Standing Committee meeting to consider the enactment of a licensing by-law shall be posted on the City's website and shall also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Standing Committee meeting at which the matter is to be considered.</p>

<p><b><u>NAMING OR RENAMING OF A HIGHWAY OR PRIVATE ROAD</u></b> (Section 11(3), <i>Municipal Act, 2001</i>)</p>	<p>Public notice required to advise of the intention to pass a by-law naming or re-naming a private road.</p>	<p>Notice of the intention to pass a by-law to name or rename a private road shall be posted on the City's website and shall also be published once in a newspaper of general circulation in the City of London at least 7 days in advance of the Standing Committee meeting at which the matter will be considered.</p>
<p><b><u>HIGHWAY CLOSURE OR PERMANENT ALTERATION – ACCESS DENIED TO ANY PROPERTY</u></b></p>	<p>Public notice required to advise all affected property owners of a Standing Committee meeting to consider the enactment of a by-law to close or permanently alter a highway when such closure or permanent alternation would deny access to a property.</p>	<p>One notice sent by registered mail, mailed to the last known address of the affected property owner(s), a minimum of 14 days before the Standing Committee meeting.</p>
<p><b><u>SALE AND OTHER DISPOSITION OF LAND</u></b></p>	<p>Public notice required to advise of the intention to sell or otherwise dispose of municipally-owned land.</p>	<p>Notice shall be in accordance with the Sale and Other Disposition of Land Policy.</p>
<p><b><u>LOW IMPACT PLANNED LIFECYCLE RENEWAL/REPLACEMENT/MAINTENANCE FOR RECREATION FACILITIES AND PARKS INITIATIVES, PROJECTS AND DEVELOPMENTS - AMENITIES AND/OR SMALL STRUCTURES THAT REQUIRE CANCELLATION OF EVENT(S) OR PROGRAM(S) OR RESULTS IN A TEMPORARY CLOSURE OF MORE THAN ONE DAY</u></b></p>	<p>Public notice to advise users and/or public of the commencement of construction and temporary closure of the space.</p>	<p>Signage onsite a minimum of 2 weeks prior to commencement of work. Notice will indicate nature of work, estimated timing of construction and contact information.</p>
<p><b><u>REPURPOSING OF EXISTING RECREATION FACILITIES OR PARKS ON A LONG TERM OR PERMANENT BASIS.</u></b></p>	<p>Public notice to advise users and public of the commencement of construction and temporary closure of the facility or park and of the intended repurposing.</p>	<p>Signage on site, notice posted on the City's website, written notice to the Ward Councillor, Community Association and neighbours within 200 m of site 6 weeks prior to commencement of work.</p> <p>Notice will indicate nature of work, estimated timing of construction and contact information.</p>
<p><b><u>NEW PARKS</u></b></p>	<p>Public notice to advise users, the public and neighbours of the commencement of construction of new parks.</p>	<p>Signage on site, notice posted on the City's website, written notice to the Ward Councillor, Community Association and neighbours within 200 m of site a minimum of 2 weeks prior to commencement of work.</p>
<p><b><u>NEW RECREATIONAL FACILITIES</u></b></p>	<p>Public notice to advise of the commencement of construction of a new facility.</p>	<p>Signage onsite and notice on the City's website indicating the intention to construct a new facility 3 months in advance of commencement of construction.</p>

<p><b><u>PARKS AND RECREATION MASTER PLAN AND SPORT STRATEGIES (e.g. SKATEPARK STRATEGY, DOGS OFF LEASH STRATEGY)</u></b></p>	<p>Public notice to advise of the intention to develop a city-wide initiative or strategy.</p>	<p>Notification published once in a newspaper of general circulation in the City of London and on the City's website of the intention to start development of an initiative or strategy.</p>
<p><b><u>UNUSUAL CIRCUMSTANCES – RECREATIONAL FACILITIES, PARKS OR STRUCTURES</u></b>  Emergency situations may occur, and in particular when a health and safety concern arises, immediate action is necessary and notification cannot occur prior to the commencement of such work.</p>	<p>No requirement of notice in emergency circumstances.</p>	<p>No notification will be given prior to commencement of emergency work.</p>
<p><b><u>ENVIRONMENTAL ASSESSMENT TERMS OF REFERENCE</u></b></p>	<p>Public notice to advise of a Standing Committee meeting to consider the approval of Terms of Reference for an Environmental Assessment and to make the draft Terms of Reference available to the public. Terms of Reference for Environmental Assessments are undertaken when required by provincial legislation.</p>	<p>Notice to advise of a Standing Committee meeting to consider the approval of draft Terms of Reference for an Environmental Assessment shall be posted on the City's website at least 30 days in advance of the Standing Committee meeting at which the matter is to be considered, and a copy of the draft Terms of Reference shall be available on the City's website during the notice period.</p>

## Schedule “F”

**Policy Name:** Accountability and Transparency to the Public Policy

**Legislative History:** Adopted December 17, 2007 (By-law No. A.-6151-17)

**Last Review Date:** June 25, 2018

**Service Area Lead:** City Clerk

### 1. Policy Statement

- 1.1 London City Council and the Civic Administration acknowledge the importance of the transparency of its proceedings and accountability for its actions. The City of London has, as its goal, that of an open, accessible, ethical and accountable government. This commitment is further delineated in City Council's values of:

*Citizen Engagement:* Fostering an environment that invites and encourages citizen participation and engagement.

*Open and Accountable Government:* Being accessible to citizens, listening to their needs and reporting regularly on progress.

*Respect and Integrity:* Respecting the diversity of the community, treating people fairly and with dignity and integrity.

*Fiscal Responsibility:* Investing wisely to achieve the Community's Strategic Priorities while maintaining a healthy financial position.

### 2. Definitions

- 2.1 Not applicable.

### 3. Applicability

- 3.1 This policy shall apply to City Council and all employees of The Corporation of the City of London.

### 4. The Policy

- 4.1 City Council shall ensure accountability and transparency of the operations of the municipality, including the activities of senior management, through the use of an accountability and transparency framework comprised of 5 key areas:
- a) Purpose
    - Clearly articulating the vision, mandate, values, strategic priorities and results of the organization in the form of a Council Strategic Plan
    - Engaging in activities that are consistent with the Council Strategic Plan
  - b) Decision Making
    - Undertaking a decision making process that is transparent and accessible to the public
    - Engaging effectively and openly with the public and other stakeholders
  - c) Communication with the Public
    - Communicating with the public so that they are able to participate effectively
    - Taking into consideration the needs of our audience, when making information public, through the use of different mediums and technology
    - Following all applicable legislation governing the sharing of information, including the *Municipal Freedom of Information and Protection of Privacy Act*
  - d) Performance
    - Being accountable to the citizens of London for performance by defining targets for performance in each Council term and reporting on performance on an annual basis
    - Ensuring the concept of continuous improvement is implemented in the organization
  - e) Appropriate Behaviour and Conduct

- The actions of Council Members and the Civic Administration being governed by a Code of Conduct



## Schedule “G”

**Policy Name:** Delegation of Powers and Duties Policy

**Legislative History:** Adopted December 17, 2007 (By-law No. A.-6151-17)

**Last Review Date:** June 25, 2018

**Service Area Lead:** City Clerk

### 1. Policy Statement

- 1.1 This policy establishes the guidelines for City Council when considering the delegation of some of its powers and duties to a person or body.

### 2. Definitions

- 2.1 Not Applicable.

### 3. Applicability

- 3.1 This policy shall apply to City Council.

### 4. The Policy

#### 4.1 Applicable Legislation

Section 23.1 of the *Municipal Act, 2001* expanded the right of authority for City Council to delegate some of its powers and duties to a person or body.

It should be noted that intent of Section 23.1 of the *Municipal Act, 2001* was to help streamline City Council’s decision-making process and enable it to focus on larger issues in a more strategic manner. Delegation of powers and duties could also be used to enhance community engagement on local issues.

#### 4.2 Powers that may be Delegated

Any delegation of a power or duty shall be in accordance with the *Municipal Act, 2001*, S.O. 2001 c.25 and any other applicable legislation.

#### 4.3 Process for Delegation

Any delegation of a power or duty shall be by by-law.

#### 4.4 Public Consultation

Prior to delegating any power or duty, City Council may consult with the public when, in its opinion, public consultation is appropriate, unless it is required to do so by law.

#### 4.5 Factors that City Council may Consider

When delegating a power or duty, City Council may consider, without limitation to, any of the following matters:

- a) the term of the delegation;
- b) the conditions or restrictions, if any, on City Council’s power to revoke the delegation;
- c) the conditions or restrictions, if any, to be imposed on the delegate;
- d) whether the power or duty to be delegated will be exercised only by the delegate or by both the delegate and the municipality;
- e) whether the delegation is consistent with the municipality’s policies under section 270 of the *Municipal Act, 2001*;
- f) the importance and complexity of the power or duty to be delegated and whether the delegate has the requisite qualifications and expertise to exercise the delegated powers and duties.