

The Township of Cavan Monaghan

By-law No. 2013-61

Being a by-law respecting the procurement of Goods and Services for the Township of Cavan Monaghan

Whereas pursuant to section 270 of the Municipal Act, 2001, S.O. c. 25, a municipality, and local board, shall adopt and maintain policies with respect to procurement of goods and services;

Whereas it is necessary to outline the processes to be followed in order to obtain the best value when purchasing goods, or contracting services for the Township of Cavan Monaghan;

And Whereas the Treasurer is, subject to the terms of this by-law, authorized to pay all accounts and other liabilities of the Township of Cavan Monaghan;

Now Therefore the Council of the Township of Cavan Monaghan hereby enacts as follows:

1. **Short Title**

This By-law shall be known as the "Purchasing By-law" for the Township of Cavan Monaghan.

2. **Principles and Goals**

The purchasing principles of the Township of Cavan Monaghan are as follows:

- 2.1 To procure by purchase, rental or lease the required quality and quantity of goods and/or services, including professional and consulting services in an efficient, timely and cost effective manner;
- 2.2 To encourage open, transparent and fair competitive bidding for the acquisition and disposal of goods and services where practicable;
- 2.3 To consider all costs, including, but not limited to, acquisition, operating, training, maintenance, quality, warranty, payment terms, disposal value and disposal costs, in evaluating bid submissions from qualified, responsive and responsible vendors.

3. **Responsibilities**

- 3.1 The CAO, the Treasurer and the Department Head (as applicable to their Department) are responsible for ensuring compliance with this By-law.
- 3.2 Council may, in its sole discretion, authorize a variation from this By-law or a specific policy or provision hereof for procurement. Such variation shall be identified and authorized in a resolution of Council. Where such procurement process is anticipated to extend beyond the term of Council such variation must be authorized by by-law.
- 3.3 The Department Head or his/her designate and the Treasurer or his/her designate are authorized to make and determine from time to time administrative policies, procedures and directions respecting:
- i. the preparation and development of specifications for a procurement;
 - 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 tenders; and
 - v. such other matters of an ancillary or incidental nature to more fully carry out the intent and purpose of this By-law.
- 3.4 The Township C.A.O. and/or Clerk have 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. The Township C.A.O. and Clerk shall wherever possible be guided by the provisions of this By-law.
- 3.5 No employee or elected official shall purchase or offer to purchase, on behalf of the Township, any goods and services, except in accordance with this By-law.
- 3.6 No requirement for goods and services may be divided into two or more parts to avoid the provisions of this By-law.

4. **Definitions**

In this By-law,

“Account” shall mean;

- a) a specific expense allocation within the budget representing a category of good or service. An account is recognized as the final four digits of the accounting code.
- b) a financial liability of the Township arising from a commitment and evidenced by any invoice, pay sheet, receipt or other document indicating payment is due for the goods or services specified in the account.

“Addendum” shall mean additional information supplied by the Township after the original “tender”, “proposal” or “quotation” request has been advertised and/or supplied.

“Bid” shall mean an offer or submission received in response to a request for quotation, tender or proposal.

“Bid Deposit” shall mean currencies, certified cheques, bond surety issued by a surety company or other form of negotiable instrument to ensure the successful bidder will enter into an agreement.

“Budgeted Item” shall mean an estimate of funds needed to purchase goods or services which were identified and approved in the current year’s municipal budget.

“C.A.O.” shall mean the Municipal Chief Administrative Officer for the Township of Cavan Monaghan.

“Clerk” shall mean the Municipal Clerk for the Township of Cavan Monaghan.

“Consulting and/or professional services” includes architects, engineers, designers, surveyors, planners, management and financial consultants, legal representatives, real estate appraisers, education and training consultants, land surveyors, and any other consulting and professional services rendered on behalf of the Township.

“Council” shall mean the Council of the Township of Cavan Monaghan.

“Department” shall mean an organizational unit that may encompass one or more related municipal services of the Township, whether or not it is called a department or office, that is headed by a Department Head.

“Department Code” shall mean the middle four digits of the accounting code which is the level at which Council approves funding and controls funds within the budget, usually a department, which is aimed at one or more target groups and is either mission driven or mandate driven.

“Department Head and/or Director” shall mean;

- a) the person responsible for direction and operational control of a Department.
- b) any Department Head and/or Director reporting directly to the C.A.O.
- c) a person authorized to act in the place of an official listed in Subsections “a” or “b” by Council or by the C.A.O. or another official under delegated authority as a designate.

“Goods” shall mean includes supplies, materials and equipment of every kind required to be used to carry out the operations of a department.

“Holdback” shall mean an amount withheld under the terms of the contract to ensure the complete performance of the contract and to avoid overpayment in relation to progress of work.

“Performance Bond” shall mean a bond issued by a surety company 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.

“Privilege Clause” shall mean the standard clause used in bid documents and advertising that reads in part “the lowest or any tender not necessarily accepted”.

“Purchase Order” shall mean the purchasing document used to commit budgeted funds and to formalize a purchasing transaction with a vendor.

“Quote” shall mean a bid submitted in response to a Request for Quotation.

“Request for Proposal” shall mean a procurement process where it is not practical to prepare precise specifications, or where “alternatives” to specifications will be considered, which may be subject to further negotiation. This process is intended to allow vendors to propose solutions to arrive at the end product, and allows for bid evaluation on criteria to determine the best overall solution which is not based only on price.

“Request for Quotation” shall mean a form of procurement in which the Municipality requests informal or formal quotes for specific goods and/or services.

“Request for Tender” shall mean a form of procurement in which the Municipality publishes the specifications, terms, conditions and details concerning a proposed procurement and invites vendors to submit tenders in accordance with the public Request for Tender.

“Sealed Bid” shall mean a formal sealed response received as a part of a Request for Quotation or Request for Tender process. .

“Services” shall mean all consulting, professional or any other persons engaged by the Municipality or equipment engaged on a rental basis by the Municipality.

“Single Source” shall mean the procurement of a good or service from a particular supplier, with justifiable reasons, rather than through solicitation of bids from other suppliers who can also provide the same item.

“Sole Source” shall mean there is only one known qualified supplier or source of supply of a particular goods or services.

“Supplier” shall mean a contractor, consultant and/or vendor of particular goods or services.

“Surety” shall mean a specified dollar amount in the form of cash, certified cheque, bid bond, performance bond, labour and materials bond, letter of credit or any other form as deemed necessary and stated in any quotation, tender or proposal documents issued by the Township.

“Township” shall mean the Township of Cavan Monaghan.

“Treasurer” shall mean the person appointed to the management position of Director of Finance/Treasurer in the Township’s administrative organization and who has also been appointed as Treasurer under section 286 of the Municipal Act, 2001.

“Verbal Quotation” shall mean the requisitioning department will receive pricing via telephone or in person, and will retain written documentation of the conversation and document the information on the requisition.

5. Requirements

- 5.1 Prior to the approval of the current budget a department may incur normal operating expenditures up to 50% of the previous years’ operating budget. Annual licencing and membership renewal may incur normal operating expenditures up to 100% of the previous year’s operating budget.
- 5.2 Council approved Department budget appropriations for expenditures shall be sufficient authorization for a Department to proceed with the purchase of supplies and materials or with work, subject to those limitations as established herein.
- 5.3 Purchases may be made for items of small value by a Department Head or his/her designate by way of a petty cash fund. The purchase of combined small value purchases through petty cash at one time shall not exceed \$200.
- 5.4 Purchase orders shall be used for all purchases in excess of \$50 not made through petty cash. The Department Head or his/her designate shall initiate a purchase by completing a purchase order.
- 5.5 All purchase orders are to be assigned a purchase order (PO) number and approved by the Department Head prior to a commitment to purchase a product or service.

- 5.6 Blanket purchase orders may be utilized to cover repetitive purchases from a selected "supplier" which establishes pricing for a period of time during which a supplier agrees to provide goods and/or services, as authorized by the Treasurer.
- 5.7 Cancellation of purchase orders requires the approval of the Department Head and must be forwarded to the Finance Department for processing.
- 5.8 Notwithstanding the requirements for purchase orders in accordance with the provisions contained herein, the following items of expenditure and/or purchase do not require the issuance of a purchase order:
 - i. Recurring utility charges that are charged to budget accounts for:
 - a) natural gas
 - b) hydro
 - c) sewer and water
 - d) telephone/cell phone
 - e) cable TV
 - f) internet/website hosting
 - g) water
 - h) ongoing facility contracted services
 - i) fuel
 - ii. Payments made in accordance with employee salary, wages and payroll benefits, including allowances/settlements as authorized by Council.
 - iii. Professional fees as authorized in the budget:
 - a) engineering Consultants
 - b) external Auditors
 - c) legal Services
 - d) Ontario Land Surveyors and Property Appraisers
 - e) firms or individuals having specialized competence in environmental, planning or other disciplines
 - f) banking services
 - g) ongoing maintenance for existing computer hardware and software
 - iv. Specific payments as authorized by Council for:
 - a) land purchases
 - b) expropriations
 - c) insurance
 - v. Licences, certificates and other approvals required.

- vi. Membership, Subscription and Training Fees as authorized in the budget;
 - a) membership Fees – professional associations
 - b) magazine and periodical subscriptions
 - c) training registration (except where bulk training is arranged through a bidding process)
 - d) conferences and seminars
 - e) travel expenses, meals, accommodation and mileage
- vii. Postage, Courier and Freight
- viii. Specific account payments, as authorized by the Treasurer;
 - a) Calhoun's Foodland – coffee/tea supplies and consumables
 - a) Millbrook Home Hardware – hardware/maintenance supplies
- iv. Inter-departmental charges
- x. General Expenses
 - a) property taxes
 - b) grants to organizations
 - c) honorariums
 - d) refunds
- xi. Federal, Provincial and Municipal Mandated Programs
- xii. Credit card payments
- xiii. Petty cash replenishment
- xiv. Government payments
All accounts for fees and levies payable to the federal, provincial or other Municipal government, or to any agency, board or commission thereof.
- xv. Debt
All accounts for payments of principal or interest on debentures, loans or overdrafts, including foreign exchange in accordance with Council's investment policy.
- xvi. School Board, Conservation Authorities, and their Capital Works
All accounts for payments to the school boards and conservation authorities of amounts raised for them by tax levy. All accounts for advances to the account of capital works, pending the issuance of debentures where all necessary authorization of such capital works have been received, such advances to be made after receipt of a written request.

- xvii. **Agencies, Boards, Commissions, Business Improvement Area Operating Levy**
All accounts for advances to agencies, boards and commissions on account of the operating budget therefore authorized by Council for their purposes.
- 6. Contract without Budgetary Appropriation**
- 6.1 Where a requirement exists to initiate a project for which goods, services, or construction is required and funds are not contained in appropriate accounts within the approved budget to meet the proposed expenditure, the initiating Department Head shall:
- a) for a procurement less than \$15,000, seek and obtain Treasurer approval for re-allocation of budgeted estimates provided no other budgeted project is cancelled and the total Departmental budget does not exceed the approved budget, or
 - b) for a proposed procurement between \$15,000 and \$30,000 seek and obtain Treasurer and C.A.O. approval for re-allocation of budgeted estimates provided no other budgeted project is cancelled and the total Departmental budget does not exceed the approved budget, or
 - c) for a proposed procurement exceeding \$30,000, seek and obtain approval from Council; in order to proceed with such a procurement request the Department Head shall first seek and obtain approval from the Treasurer and CAO and where such approval is obtained submit a report to Council containing:
 - i. information surrounding the requirement to contract
 - ii. the terms of reference to be provided in the contract, and
 - iii. information on the availability of the funds within existing estimates which were originally approved by Council for other purposes, or on the requirement for additional funds.
 - iv. if the additional funding is to be provided through the issuance of debentures, the Treasurer shall certify that the funding is within the Township's updated debt and financial obligation limit.
- 6.2 Notwithstanding section 6.1, Departmental Fleet/Vehicle Operating Budgets for re-allocations between approved vehicle budget estimates may be approved by the Treasurer without CAO or Council approval provided they do not exceed the approved budget.
- 6.3 Notwithstanding section 6.1, Reallocations and/or transfers during the year between non-tax-supported services, (i.e. user pay fees and charges such as water and wastewater), may be made by the Treasurer where it is not contrary to law. CAO and/or Council approval is not required.

7. No Acceptable Bid or Equal Bids Received

7.1 Where responses to a procurement process are received that;

- a) exceed budget,
- b) are not responsive to the requirement, or
- c) do not represent fair market value in the opinion of the Department Head,

A report shall be made to Council with a recommended course of action and/or seeking Council direction.

8. Guarantees of Contract Execution and Performance

8.1 The Department Head and/or Treasurer may require that a bid be accompanied by a Bid Deposit or other similar security to guarantee entry into a contract.

8.2 In addition to the Bid Deposit Security, the successful supplier may be required to provide,

- a) a Performance Bond to guarantee the faithful performance of the contract,
- b) a Payment Bond to guarantee the payment for labour and materials to be supplied in connection with the contract, and/or
- c) an irrevocable letter of credit.

8.3 The Department Head and/or Treasurer shall select the appropriate means to guarantee execution and performance of the contract. Means may include one or more of, but are not limited to, financial bonds or other forms of security deposits, provisions for liquidated damages, progress payments, and holdbacks.

8.4 Prior to commencement of work and where deemed appropriate, evidence of liability insurance coverage satisfactory to the Department Head and Treasurer must be obtained, ensuring indemnification of the Township of Cavan Monaghan from any and all claims, demands, losses, costs or damages resulting from the performance of a supplier's obligations under the contract.

8.5 Prior to payment to a supplier, the Department Head will ensure a Certificate of Clearance from the Workplace Safety and Insurance Board is obtained confirming all premiums or levies have been paid to the Board to date.

- 8.6 The Department Head and Treasurer shall ensure that the guarantee means selected will:
- a) not be excessive but sufficient to cover financial risks to the Township,
 - b) provide flexibility in applying leverage on a supplier so that the penalty is proportional to the deficiencies, and
 - c) comply with provincial statutes and regulations.
- 8.7 If the risk to the Township is not adequately limited by the progress payment provisions of the contract, a minimum payment holdback of 10 per cent shall be mandatory on all construction contracts.
- 8.8 The responsible Department Head, in consultation with the Treasurer or such other staff or consultants retained by the Township as applicable, may release the holdback funds on construction contracts upon:
- i. the contractor submitting a statutory declaration that all accounts been paid and that all documents have been received for all damage claims,
 - ii. receipt of clearance from the Workplace Safety and Insurance Board for any arrears of Workplace Safety and Insurance Board assessment,
 - iii. all the requirements of the Construction Lien Act, R.S.O. 1990, being satisfied,
 - iv. substantial performance, and
 - v. confirmation, where applicable, that liens have not been registered.

9. **Methods of Procurement of Goods and/or Services**

There are six methods of procurement utilized by the municipality for the procurement of Goods and/or Services set out as follows:

1. Direct Acquisition (9.1)
2. Quotations (9.2)
3. Tenders (9.3)
4. Requests for Proposals (9.4)
5. Emergency Purchases (9.5)
6. Single or Sole Source Purchases (9.6).

In addition, a Request for Information process can be used to obtain preliminary information about a market or the type of available supply or service when there is not enough information readily available for procurement method. A Request for Information is used to informally solicit this information. An RFI may not be used as a source selection method for procurement of a supply or service.

9.1 Direct Acquisition

- 9.1.1 Direct acquisition may be used for the procurement of goods or services less than \$15,000 unless the Department Head has authorized a Request for Quotation.
- 9.1.2 Direct acquisitions shall be approved by the Department Head or his/her designate. As part of the foregoing process, an informal request for quotations may be used if deemed appropriate and under such informal process, the market is canvassed for the best price to supply a good or service to the Township. Information may be gathered by any means i.e. telephone, email, website, fax etc.

9.2 Quotations

- 9.2.1 Requests for Quotations shall be used for the procurement of goods or services between \$15,000 and \$50,000 unless Council directs otherwise.

Requests for Quotations may be used for the procurement of goods or services less than \$15,000 as directed by the Department Head.
- 9.2.2 Request for Quotations and specifications shall be prepared by the Department Head, approved by the Treasurer, and made available to suppliers. The Request for Quotation shall be a written document containing terms and conditions from the Township and which identifies the information a supplier or contractor should provide in response to the request for quotation.
- 9.2.3 The Township shall seek a minimum of 3 written quotations; if less than three (3) quotations are received; the Township may choose to accept or exercise its right to cancel the request for quotations. Quotations are not formally opened in public nor is it necessary to disclose prices or terms at the time of submission.
- 9.2.4 For procurements between \$15,000 and \$30,000 the Department Head and Treasurer shall be authorized to approve the supplier or contractor.
- 9.2.5 For purchases exceeding \$30,000, Council shall approve the procurement. Prior to seeking approval from Council, a report from the Department Head shall be presented recommending the preferred supplier or contractor.

9.3 Tenders

- 9.3.1 Tenders shall be used for the procurement of goods and services anticipated to exceed \$50,000 unless Council directs otherwise.
- 9.3.2 Calls for Tenders shall be authorized by the Department Head and Treasurer.

- 9.3.3 Following receipt of tenders, a report from the Department Head approved by the C.A.O, shall be presented recommending the preferred supplier and seeking final approval of Council.
- 9.3.4 Tenders may be called by public advertising (local newspapers) and posted on the Township website or by invitation to specific vendors.
- 9.3.5 Advertisements should appear in the local paper at least once, with the closing date no sooner than 14 calendar days following publication in the local paper, to permit the bidders to obtain the tender documents, examine the site if applicable, complete and submit the tender.
- 9.3.6 A list of those persons who take tender documents shall be maintained by the department making the tender call and shall be available to the public after the official tender opening. The list shall contain the names, addresses and telephone numbers of all parties requesting tender documents.
- 9.3.7 When it becomes necessary to revise, delete, substitute or add to the tender documents for a tender call, the Treasurer shall approve the issuance of an addendum prepared by the Department Head.
- 9.3.8 A copy of each addendum shall be forwarded by fax or email by the Department Head or his/her designate to all persons on the list referenced in section 9.3.6 and a copy shall be attached to all undistributed tender documents and updated on the Township website.
- 9.3.9 When a tender is received, the unopened envelope shall be date and time stamped, initialled and placed in safekeeping within the Finance Department.
- 9.3.10 Tenders shall become the property of the Municipality and will not be opened until the official tender opening date and time.
- 9.3.11 The number of bids received and the names of bidders are confidential and shall not be divulged prior to the tender opening.
- 9.3.12 Tender openings shall be conducted in public, and shall be conducted by the Department Head or his/her designate in the presence of:

One member of Township Council, the Treasurer or his/her designate, and one other Department Head or his/her designate.
- 9.3.13 Upon the opening of the tenders, the Department Head shall announce for each contract the contract name, number, the number of bids received, the name of the bidders and the total bid amounts.

- 9.3.14 After the bid amounts have been read, the Department Head or his/her designate shall prepare, a list of bidders, tender amount, deposit cheque amount, and a notation if it is an incomplete bid. This shall be known as the Record of Tender Opening.
- 9.3.15 Bid deposits shall be held by the Treasurer or his/her designate for safekeeping. Deposits shall be refunded, without interest, and securities shall be returned upon successful completion of the contract.
- 9.3.16 All tenders shall be checked to ensure that:
- i. the bidder's name and tender amount shown on the Record of Tender Opening are correct
 - ii. the tender form is signed as necessary, sealed or witnessed;
 - iii. the correct tender form has been used;
 - iv. each tender envelope is time and date stamped prior to the contract closing time;
 - v. the bid deposit is sufficient and in an acceptable form;
 - vi. each item on the tender has been bid;
 - vii. irregularities shall be administered as set out below;
 - viii. all other tender requirements have been met.
- 9.3.17 Upon completion of checking procedures the Department Head or his/her designate shall prepare a report to Council with recommendation to award the contract.
- 9.3.18 Bid deposits will be returned to all unsuccessful tenderers by courier or will be available for pick-up by the Bidder within twenty (20) working days after the Tender has been awarded and approved by Council. In the case of a pick-up, the person picking up the Bid deposit shall execute a receipt.
- 9.3.19 In the event that more than one bidder has submitted a tender in the same amount, Council shall make its decision based on the merit of the tender (i.e. including such factors as time for completion and previous performance of the bidder). If the merit for each tender is equal, then the tender to be accepted shall be decided by means of a draw. The names of the tied bidders shall be drawn by a member of Council. The time and location of the draw shall be set by the Department Head or his/her designate, and the bidders shall be notified in order that they may be present.
- 9.3.20 The bidder who has submitted a tender may request that the tender be withdrawn. Adjustments or corrections to a tender already submitted will not be allowed. The withdrawal will be allowed if the request is signed, and received by the Department Head, or his/her designate, at least three (3) hours before the closing time. Telephone requests shall be not considered.

- a) when a withdrawal request is made in person, the requester shall sign a withdrawal form confirming the request. When requests are made by email/courier, they shall be confirmed by telephone prior to acceptance.
- b) tenders confirmed as withdrawn prior to closing time shall be unopened and available for pick-up by the Bidder. Upon request, a withdrawn tender will be returned by courier at the Bidders' expense.
- c) the withdrawal of a tender does not disqualify a bidder from submitting another tender on the same contract.

9.3.21 If only one tender is received, the Township may choose to accept or exercise the right to not open the bid and close the call for tender.

9.4 Requests for Proposals

9.4.1 Notwithstanding sections 9.1.1, 9.2.1 and 9.3.1, an RFP may be used upon the direction of the applicable authority referenced in sections 9.1.2, 9.2.2 or 9.3.2 for the procurement of a good or service, for any dollar value subject to the following:

- i) for procurements less than or equal to \$30,000, the Department Head and Treasurer, may approve the RFP;
- ii) for procurements exceeding \$30,000 Council must approve the RFP.

Request for Proposals pursuant to 9.4.1(ii) must be initiated through the submission of a report (by the applicable Department Head) to the C.A.O. for approval before being presented for Council approval.

9.4.2 RFP documents shall be prepared by the Department Head, and approved by the Treasurer.

9.4.3 RFPs may called by public advertising (local newspapers) and posted on the Township website or by invitation to specific vendors. The selection of a successful proposal/vendor is to be based upon the criteria outlined in the RFP and not solely upon the lowest price proposal.

9.5 Emergency Purchases

9.5.1 Where an emergency occurs that, in the opinion of the Department Head or his/her designate, constitutes an immediate danger to health, safety, life or property or requires the immediate procurement of goods and services, the Department Head or his/her designate may purchase such goods or services by open market procedure regardless of the amount of the procurement.

9.5.2 While the objective of the Township's procurement policy s to obtain the lowest price, having regard for such things as local servicing, experience, availability, particular expertise, etc., and those other factors that are set out elsewhere in

this By-law, it is acknowledged that obtaining the lowest price is not the predominate objective in addressing and/or responding to an emergency.

9.5.3 The Department Head must, in consultation with the C.A.O. provide a written report to Council, as soon as possible after the emergency event. The report to Council must explain the nature of the emergency that necessitated purchasing goods or services and the availability of the funds within the current budget estimates or the requirement for additional funds.

9.6 Single or Sole Source Purchases

9.6.1 Notwithstanding sections 9.1 through 9.4, Department Heads may purchase specific goods or services from a specific supplier or contractor for any one or combination of the following reasons:

- i. there is only one known potential supplier or contractor who can meet the technical specifications
- ii. there is only one potential supplier or contractor who can provide the commodity by the specified date required
- iii. compatibility of a purchase with existing equipment, facilities or services is a paramount consideration and that purchase must be made from a single source
- iv. the Vendor for function or service has skills related to the nature of the service

9.6.2 If this method of purchasing is utilized, the Department Head and/or Consultant (as approved by the Department Head) must, in consultation with the C.A.O. provide a written report to Council which shall identify the eligible reason(s) pursuant to section 9.6.1 and provide confirmation that the single or sole source purchase satisfies the eligibility criteria.

10. Bid Irregularity

10.1 A bid irregularity is a deviation between the requirements (terms, conditions, specifications, special instructions) of a Request for Tender and the information provided in the bid.

(For a bid irregularity listed in the first column, the required response applicable to it is set out opposite to it in the second column, if applicable)

Irregularity

Action

Late Bids

Automatic Rejection, not read publicly, unopened and available for pick up.

Unsealed Envelopes	Automatic Rejection
Bids not completed in non-erasable medium and signed in ink	Automatic Rejection
Insufficient financial security (No bid deposit or insufficient bid deposit)	Automatic Rejection
Incomplete Bids (Part bids – all items not bid)	Automatic rejection, unless, in the opinion of the Department Head and Treasurer, the incomplete nature is trivial or insignificant
Failure to attend mandatory site visit.	Automatic Rejection
Execution of bid document (Bond company corporate seal or equivalent proof of authority to bind company or signature missing or surety company not licensed to do business in Ontario)	Automatic Rejection
Pricing or signature pages missing	Automatic Rejection
Qualified Bids (Bids qualified or restricted by an attached statement)	Automatic Rejection unless, in the opinion of the Department Head and Treasurer, the qualification or restriction is trivial or insignificant
Pages requiring completion of information by vendor are missing	Automatic Rejection
Bids received on documents other than those provided by the Township of Cavan Monaghan or its representative (i.e. Consultants)	Automatic Rejection
Bids containing minor errors	a) if the amount tendered for clerical errors a unit price item does not agree with the extension of the estimated quantity and the tendered 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 Tender contains an error in addition and/or subtraction and/or transcription in the approved tender documentation format requested, the error shall be corrected and the corrected total contract price shall govern.

Conditions placed by the Tenderer on the Total Contract Price

Automatic Rejection

Failure to include signature of the person authorized to bind the Tenderer in the space provided in the Tender Form

Automatic Rejection

(The above list of irregularities should not be and is not considered all-inclusive).

11. Execution by Authorized Signing Officers

11.1 The Mayor and Municipal Clerk shall sign all agreements specifically approved by a resolution or by-law of Council and such other documents or instruments which are specifically authorized in the foregoing agreement.

11.2 Subject to compliance with the Municipal Act, 2001 and signing authority By-laws, all contracts, agreements or other documents which the Municipality has the authority to make or enter into shall be deemed to be properly executed if they are signed by the Mayor and the Clerk, except as authorized in 11.3 and 11.4.

- 11.3 Notwithstanding section 11.1, a Department Head is authorized to sign contracts and agreements for the purchase or lease of goods or services where the Department Head has been given the authority to undertake procurement as provided for in Section 9 of this by-law.
- 11.4 The Director of Finance may enter into and sign agreements and other documents on behalf of the Municipality related to borrowing, raising money, banking, grants, taxation, assessment, damage claims and other documents relating to functions under the responsibility of the Finance Department.

12. Review

This By-law shall be reviewed every five (5) years or earlier by the Treasurer in conjunction with Department Heads and Council to evaluate its effectiveness.

13. Repeal

By-law Number 2004-49 and By-law Number 2008-13 are hereby repealed in their entirety.

14. Severability

In the event that any court should adjudge that any Section of this By-law is not valid for any cause, such Section or Sections shall be severable from the remainder of the By-law to the same extent as if the offending Section or Sections had not been included therein.

15. Effective date

This By-law comes into force the 2nd day of December, 2013

Read a first, second and third time and passed this 2nd day of December, 2013.



John Fallis
Mayor



Elana Arthurs
Clerk