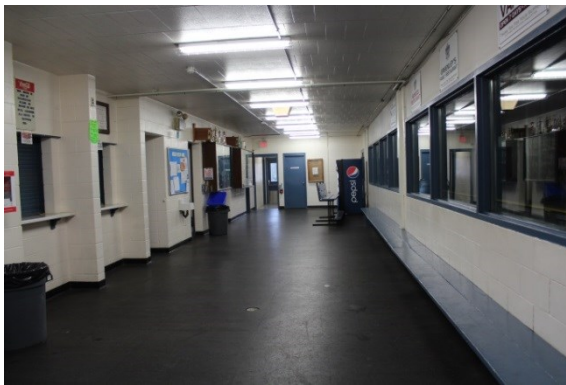




Town of Minto Draft Purchasing Bylaw

Standard Purchase Document





Strategic Directions



- Section 270 (1) 3. requires policy for procurement
- Strategic Plan manage finances transparent, fiscally responsible manner using a variety of methods
- Adopt and maintain fair and transparent procurement policies and by-laws to ensure competitive pricing and proposals, and that local business has equal opportunity to bids.
- Work with local municipalities and County to create mutually-beneficial cost-sharing including joint purchasing of equipment



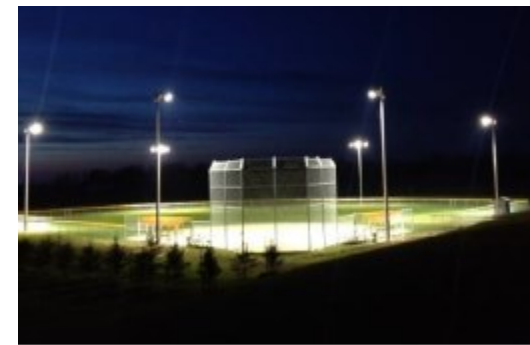
Considerations



- Numerous references to Management Team roles and responsibilities; update CAO Clerk
- Quotes can be awarded by Department Heads up to \$25,000; Council approval clarified
- Alternate purchasing methods (from 8 to 6) with eight Schedules in By-law reduced to one (courts do not distinguish tender, quotations and proposal)
- Clarify single source and emergency purchasing
- Environment, accessibility, local bidders
- Privilege clauses valid if fair and equal treatment



Considerations



- Review by-law to clarify roles around new structure
- Clarify procurement process (Section 9.3 applies to all proposals, tenders and quotations using standard form in Schedule “A”)
- Use Purchase Orders procedure
- Assess “buy local” or “quote local” provisions for purchases below threshold
- Advertising and website criteria
- Council involvement in procurement process and single source procedure should be clarified
- Prequalification procedures for consulting services



Draft By-law



1. Bylaw Purpose

- Encourage competition, obtain best value, ensure fairness, accountability, transparency
- Comply with fiscal accountability policy, code of conduct,
- Environmental Responsible, Accessibility rules

2. Applicability

- Excludes sale of lands, election, municipal utilities, legal and counselling
- Corporate expenses, training, government providers, and honorariums, remuneration



Draft By-law



3. Definitions

- Best value balance quality and finance
- Bid includes proposal, quotation, or tender
- CAO Clerk, Department Heads includes designates

4. Purchasing Authority

- Administered by CAO Clerk and Treasurer
- No contract awarded without budgeted funds
- Purchase requisitions required over \$10K if policy, becomes a purchase order (electronic)



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4. Purchase Authority Continued

- CAO Clerk exemption for election purchase and urgent matters up to \$5,000
- Department Heads provide advice, administer bids, review specifications, follow purchasing practice, dispose of assets, prepare reports, develop policy
- Treasurer pays endorsed invoices (signed twice), electronic purchase requisitions, consultant progress payments and accounts
- Council buys through CAO Clerk



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5. Inspection of Supplies and Services

- CAO, Department Heads responsible for purchases
- Return & cancel goods and services if specification not met; must give notice as per contracts

6. Cooperative Purchasing

- Permitted with local municipalities, County, Province where approved by Council

7. Council Authorization

- Needed if Staff, Committee, Councillor to bind Town



Draft By-law



8. Sole Source Purchases

- Council approval needed to allow purchase over \$10,000 without bids
- Must have equipment compatibility, only one known supplier, market conditions, utility work on Town contract, public auction, Town subsidy, multiple suppliers of same goods
- Comply with code of conduct, fiscal accountability and transparency policy to be met; no conflict of interest, fair and



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9. Purchasing Procedures

- Informal Quotes up to \$10,000 CAO or Department Head to ensure “best value” plus supplier capacity, performance, quality, environment, proximity etc.
- Formal Quotes \$10,000-\$50,000 budgeted, fair & equal access for three bidders; assess under by-law; report to Council for clarification but can award
- Tender (goods easily defined) \$50,000+ notice, use standard tender Schedule “A”; following process, allow public opening, report to Council for award,



Draft By-law



9. Purchasing Procedures continued

- Request for Proposal (goods, services supplies not easily defined) over \$50,000 same as tender Schedule “A”; may use 2 envelopes; public criteria
- Negotiation, Single Source over \$10,000 with strong business case, continuing pilot project, compatible equipment, formal process fails; mandatory report and resolution of Council
- Emergency buying for threats to public health, property security etc.; advise Mayor; consider budget, cost recovery etc.; report after to Council



Draft By-law



10. Credit Car Purchases

- Mayor/designated staff keep in mind code of conduct, fiscal accountability, transparency etc.
- Meet “best value” and other principals of bylaw, mainly local purchases for on-going operations

11. Bid Review Committee

- Form by resolution with CAO or Department Head, Mayor or Chair, consultant, Treasurer etc.
- “Best value” rules; no irregularity or challenge, must be unanimous; still requires a contract



Draft By-law



12. Negotiation

- When goods are in short supply, competition is limited, sole source, identical bids, lowest compliant bid over budget, council authorizes

13. CAO Authority; “Lame Duck”

- CAO may act as Council during suspension of meeting or during “Lame Duck” period
- All procedures under Section 9 apply to any contracts awarded including “best value”



Draft By-law



14. Specification Development

- Vendors or bidders who help develop specifications shall be paid; property of Town; vendor can still bid

15. Refusal of Responses

- Town not obligated to accept bid where bidder has legal proceedings with Town, criminal offence, non-performance of contract, gratuities offered

16. Financial Securities and Insurance

- Performance bonds, proof of insurance, WSIB etc



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17. Division of Contracts

- Not permitted to avoid limits for Formal/Informal Quotation, Tender or Proposal procedures.

18. Execute Documents

- Mayor and Clerk except where not required

19. Lobbying

- Not permitted to influence or be influenced

20. Access to Information

- Municipal Freedom of Information (MFIPPA)



Draft By-law

21. Severability

- By-law valid even if one portion is found in court not to be valid.

22. Repeal

- Previous bylaws repealed

Questions?

