



**THE CORPORATION OF THE TOWNSHIP OF CHAPPLE  
BYLAW NO 1820**

**BEING** a by-law of The Corporation of the Township of Chapple to provide for the purchase of goods and services by the Township.

**WHEREAS** pursuant to Part VI, Section 271 of the Municipal Act, 2001, a municipality and local board shall adopt policies with respect to its procurement of goods and services; and

**WHEREAS** the Municipal Council of the Corporation of the Township of Chapple deems it desirable to amend this policy;

**THEREFORE** the Municipal Council of the Corporation of the Township of Chapple enacts as follows:

**PART I: OBJECTIVE**

- 1.1** This by-law outlines the processes to be followed to obtain the best value when purchasing goods or contracting services for the Township of Chapple.
- 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 Township of Chapple encourages innovation and the use of technology which meet Township specifications and industry standards to ensure the utilization of the most efficient and effective processes and practices.

**PART II: GENERAL PROVISIONS**

- 2.1** Unless otherwise provided in accordance with this by-law, the CAO/Clerk-Treasurer, the Public Works Superintendent or their designate shall act for the Township of Chapple, for the purchase of all goods and services and shall be responsible for providing all necessary advice and services required for such purchases in accordance with the method of purchase authorized by this by-law and the Purchasing Policy.
- 2.2** No purchase of goods and services shall be authorized unless it is in compliance with the Purchasing by-law and the Purchasing Policy. Goods and services that are obtained without following the provisions of the aforementioned will not be accepted, and any invoices received will not be processed for payment.
- 2.3** Unless otherwise provided in accordance with this by-law and the Purchasing Policy, the purchase of all goods and services shall be authorized in accordance with the provisions of Schedule "A" to this by-law.
- 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** "In-house bids", "Vendors of record" and "Two-Envelope procurement process" will not be considered for the procurement of goods or services.
- 2.6** The CAO/Clerk-Treasurer is authorized to make and promulgate from time to time administrative policies, 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 tenders; and
  - v. such other matters of an ancillary or incidental nature to carry out the intent and purpose of this by-law more fully.
- 2.7** Definitions specific to this by-law are documented in the Purchasing Policy, as outlined in Schedule “C.”
- 2.8** Disputes shall be resolved as follows:
- i. Meeting between the bidder and the Public Works Superintendent;
  - ii. If (i) does not lead to a resolution, the decision can be appealed to the CAO/Clerk-Treasurer; or
  - iii. If (ii) does not lead to a resolution, the decision can be appealed to the Council.
- 2.9** This by-law will be reviewed and revised on a periodic basis. It is anticipated that reviews will be conducted every five years or more frequently as required.
- 2.10** Goods and Services that are not subject to this by-law are listed in Schedule “B.”

### **PART III: RESPONSIBILITIES AND AUTHORITIES**

#### **RESPONSIBILITIES**

- 3.1** CAO/Clerk-Treasurer/Public Works Superintendent:
- i. Have responsibility for procurement activities within their Departments and are accountable for achieving best value while following the procurement principles;
  - ii. Monitoring compliance with this by-law;
  - iii. Notifying the Council, in advance if possible, of non-compliance with this by-law and/or the Purchasing Policy, and
  - iv. Have authority to purchase items not exceeding \$25,000 under section 3.2 of the Purchasing Policy.
- 3.2** Council is responsible for:
- i. The procurement process for all items greater than \$25,000 with the exception of those items listed in Schedule “B;”
  - ii. Decisions whenever the specifications of a tender call or Request for Proposal cannot be met by two or more suppliers, and
  - iii. Rejecting all purchase requisitions for services where the services could result in the establishment of an employee – employer relationship.
- 3.3** No provision of the by-law precludes CAO/Clerk-Treasurer/Public Works Superintendent from recommending an award to Council where:
- i. in their opinion, it is in the best interest of the Township to do so, or
  - ii. it is a matter of procurement procedure and, it is in the best interest of the Township to do so.

#### **SINGLE/SOLE SOURCING**

- 3.4** In circumstances where there may be more than one source of supply in the open market, but only one of these is recommended by the CAO/Clerk-Treasurer/Public Works Superintendent for consideration on the grounds that it is more cost effective or beneficial to the Township and where the expenditure will exceed \$25,000, approval must be obtained from Council prior to negotiations with the single source. The CAO/Clerk-Treasurer/Public Works Superintendent or designate shall be responsible for submitting a report detailing the rationale supporting the use of the single source.

- 3.5** If the CAO/Clerk-Treasurer/Public Works Superintendent requires goods, services or equipment deemed to be available from only one source of supply, and where the expenditure will exceed \$25,000, they, shall obtain approval from the Council for the tendering procedure to be waived and for authorization to negotiate with the sole source supplier.

#### **AUTHORITY**

- 3.6** For awards of value \$100,000 or less, a contract may be awarded provided that it is a funded requisition and the requirements of the by-law and Purchasing Policy are met.
- 3.7** CAO/Clerk-Treasurer/Public Works Superintendent have the authority to award contracts in the circumstances specified in the Purchasing Policy provided that the delegated power is exercised within the limits prescribed in Schedule “A” to this by-law, and the requirements of this by-law and the Purchasing Policy are met.
- 3.8** The CAO/Clerk-Treasurer has the authority to instruct the Public Works Superintendent to defer the award of contracts to Council for approval and may provide additional restrictions concerning procurement where such action is considered necessary and in the best interest of the Township.
- 3.9** When a CAO/Clerk-Treasurer/Public Works Superintendent is of the opinion that a “triggering event” has occurred, the CAO/Clerk-Treasurer/Public Works Superintendent may authorize the purchase of such goods, services and construction as is considered necessary to remedy the situation without regard to the requirement for a bid solicitation and may award the necessary contract amendment.

The relevant details surrounding the “triggering event” shall be included in a report and submitted to Council as soon as possible.

- 3.10** The CAO/Clerk-Treasurer 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. The CAO/Clerk-Treasurer shall wherever possible be guided by the provisions of this by-law and the Purchasing Policy.
- 3.11** Despite any other provision of this by-law, the following contracts are subject to Council approval:
- i.** any contract requiring approval from the Ontario Municipal Board;
  - ii.** any contract prescribed by Statute to be made by Council;
  - iii.** where the cost amount proposed for acceptance is higher than the Council approved budget for that expenditure or where the expenditure would result in insufficient remaining funds in the project budget to complete the project as budgeted;
  - iv.** where the net revenue amount proposed for acceptance is lower than the Council approved budget;
  - v.** where a substantive objection emanating from the bid solicitation has been filed with the CAO/Clerk-Treasurer/Public Works Superintendent;
  - vi.** where a major irregularity precludes the award of a tender to the supplier submitting the lowest bid; and
  - vii.** where authority to approve has not been expressly delegated.

- 3.12** No appointed or elected officer or employee of The Corporation of the Township of Chapple will have any interest, directly or indirectly, as a contracting party, partner, shareholder, surety or otherwise in any contract for goods or services or in any portion of the profits thereof, or of any supplies to be used therein, or in any of the monies to be derived therefrom.

#### **PART IV: REQUIREMENT FOR APPROVED FUNDS**

- 4.1** The exercise of authority to award a contract is subject to the identification and availability of sufficient funds in appropriate accounts within Council approved budget.

- 4.2** Where goods and services are routinely purchased or leased on a multi-year basis, the exercise of authority to award a contract is subject to:
- i.** the identification and availability of sufficient funds in appropriate accounts for the current year within Council approved budget;
  - ii.** the requirement for the goods or services will continue to exist in subsequent years and, in the opinion of the CAO/Clerk-Treasurer, the required funding can reasonably be expected to be made available; and
  - iii.** the contract has a provision that the supply of goods or services in subsequent years is subject to the approval by Council of the department estimates to meet the proposed expenditures.

**PART V: MATERIALS MANAGEMENT AND INVENTORY CONTROL**

- 5.1** The Public Works Superintendent shall adopt and implement a system of materials management and inventory control methods so as to maintain an adequate level of commodities to support and supply all operations and services of the Township.
- 5.2** Material or other items which become obsolete or surplus to the requirements of the Township of Chapple shall be disposed of by the CAO/Clerk-Treasurer/Public Works Superintendent by either advertising for sealed bids, public auction or other public sale depending on which method is most suitable for the material or item involved and in keeping with the best interests of the Township.

**PART VI: REPEAL AND ENACTMENT**

- 6.1** Schedule "A" being the Levels of Contract Approval Authority is attached and forms part of this by-law.
- 6.2** Schedule "B" being the Goods and Services Not Subject to This By-law is attached and forms part of this by-law.
- 6.3** Schedule "C" being the Purchasing Policy is attached and forms part of this by-law.
- 6.4** By-law 1427 is repealed.
- 6.5** This by-law comes into force on the day it is passed.
- 6.6** This by-law may be referred to as the Procurement of Goods & Services by-law

**READ AND PASSED** this 11<sup>th</sup> day of July 2023.

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JAMES GIBSON, REEVE

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TARA ALLAIRE, CAO/CLERK TREASURER