The Corporation of The City of North Bay

By-Law No. 2026-60

Being a By-Law to Establish a Procurement Policy

(and to repeal By-Law No. 2013-200, as amended)

Whereas section 270 of the Municipal Act, R.S.O. 2001, as amended, requires all municipalities and local boards to establish and maintain a policy with respect to its procurement of Goods and Services;

And Whereas this By-law establishes the authority and sets out the methods by which Goods and Services will be purchased and disposed of by or on behalf of the City;

And Whereas the City will acquire Goods and Services in a manner that complies with this By-law and appropriate purchasing principles for the public sector, reflects a high standard of business ethics, does not favour or improperly discriminate, is cost effective and results in best value for the City;

And Whereas Council has passed General Government Committee Report No. 2026-07 on the 11th day of August, 2026 authorizing this By-law to establish a Procurement Policy.

Now therefore, the Council of The Corporation of the City of North Bay hereby enacts as follows:

PROCUREMENT POLICY

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1. APPLICATION

(a) This policy applies to the procurement of Goods and Services by the City and may be adopted in principle, at their discretion, by affiliate agencies, boards and commissions of the City.

(b) The acquisition of Goods or Services or disposal of Surplus Goods shall be authorized only when in compliance with this policy.

2. DEFINITIONS

(a) Words and phrases used in this policy have the following meanings, unless expressly stated otherwise:

Approval Authority means the position or body identified in Schedule A (Procurement Approval Table) that is authorized to approve the award or amendment of a Contract.

Approval Committee means a joint approval committee consisting of the Chief Administrative Officer, Chief Financial Officer and relevant Senior Leader with departmental responsibility for the applicable Contract.

Approved Budget has the meaning assigned in Section 5.2(a).

Bid means a proposal, tender or other form of supplier submission to the City in response to a RFx.

Bidder means a supplier that submits a Bid.

Budget Owner means the Management Staff, or Senior Leader, assigned direct responsibility for the administration of an approved budget and accountable for ensuring that expenditures charged to that budget are authorized, available, appropriate, and comply with applicable City policies.

CAO means the Chief Administrative Officer of the City.

CFO means the Chief Financial Officer/Treasurer of the City.

CFTA Threshold means the monetary threshold established under the Canadian Free Trade Agreement (CFTA), as amended from time to time, applicable to Ontario municipalities for the procurement of Goods and Services.

City means The Corporation of the City of North Bay.

City Solicitor means the person appointed to hold this office within the City's Legal Services department.

Contract means a Formal Contract or Informal Contract for the procurement of Goods or Services by any contractual means, including purchase, lease, and rental, with or without an option to buy.

Contract Value means the estimated total expenditures under a Contract over the initial term of a Contract, excluding optional extension periods and excluding taxes.

Cooperative Purchasing means a cooperative arrangement in which one or more members, or a group purchasing entity (GPO), undertakes the procurement process on behalf of participating entities. Cooperative purchasing arrangements established by provincial, territorial, and federal governments or other government entity (sometimes referred to as vendor-of-record arrangements or VORs) that are

open to municipalities are cooperative purchasing arrangements for purposes of this policy.

Council means the Council of the City and any Council committee delegated by Council to perform a function related to this policy.

Delegated Procurement Authority Matrix or DPA Matrix means the matrix established and amended from time to time by the CAO, in consultation with the CFO, that identifies positions within the City that may act as Approval Authority for purposes of this policy and the Procurement Procedures.

Excluded Purchase means a Contract or expenditure that is excluded from the competitive procurement requirements and public notices required by this policy as listed in Schedule C (EXCLUSIONS).

Exempt Purchase means a Contract for the procurement of Goods or Services that qualifies for an exemption from competitive procurement requirements as listed in Schedule B (EXEMPTIONS).

Extraordinary Circumstance (Emergency) has the meaning assigned in Schedule B (EXEMPTIONS).

Formal Contract means a long form Contract, prepared by the City or by a supplier, that is signed by both the City and the supplier.

Goods means tangible and intangible moveable property and includes supplies, equipment, materials, products, software, furniture, structures, and fixtures to be delivered, installed, or constructed.

Informal Contract means a Purchasing Card or Purchase Order, or other CFO-approved means that commits the City to purchase specified Goods and Services and that may, or may not be, signed by the City and that is not a Formal Contract.

Invitational Competitive Process means a competitive process where the City invites selected suppliers to submit a Bid without public advertisement.

Low Dollar Value means the amount specified in the Procurement Approval Table in Schedule A to this policy as the low dollar value threshold.

Management Staff means director, manager, supervisor, coordinator, advisor or other position that may be a Budget Owner and/or may be delegated Approval Authority in the DPA Matrix;

Multi-Year Contract has the meaning assigned in Section 5.3(a).

Non-Competitive Process means the procurement of a Good or Service directly from a supplier without a competitive process.

Prequalification Process means a publicly advertised opportunity for suppliers to prequalify for participation in one or more subsequent procurement processes.

Prequalified Supplier List means a list of suppliers that have satisfied the requirements of a Prequalification Process and are prequalified to participate in one or more future procurements covered by the list.

Procurement Approval Table means the table attached as Schedule A to this policy which specifies permitted procurement processes, Approval Authority and permitted contracting approaches based on the Procurement Value.

Procurement Procedures means procurement and contracting procedures, protocols, forms and other material established by, or on behalf of, the CFO from time to time pursuant to this policy.

Procurement Value means the estimated total expenditures under a potential Contract over the entire period of the Contract, including optional extension periods but exclusive of taxes.

Public Competitive Process means a competitive process where the City publicly advertises, on the City's designated tendering website, an invitation to suppliers to submit a Bid in response to an RFx.

Purchasing Card means a financial tool issued in accordance with the City's Municipal Credit Card Policy to facilitate the payment of business-related expenses and purchase of Goods or Services strictly for official municipal business. Includes credit cards formally referred to as purchasing cards and corporate credit cards.

Purchase Order means a written document that, when accepted by a Vendor, establishes a binding purchase commitment between the City and the Vendor.

RFx means a document inviting suppliers to submit Bids typically with a view to being awarded a Contract for the purchase of Goods or Services, such as a request for prequalification (RFPQ), request for quotes (RFQ), request for tenders (RFT) or request for proposals (RFP).

Senior Leader means the Fire Chief, City Engineer, Chief Financial Officer, Director of Community Services or other senior level position at the City with responsibility for a specific business unit or department that may be designated as a Senior Leader for purposes of this policy by the Chief Administrative Officer.

Services means all services, including professional services and construction services, unless otherwise specified.

Standing Arrangement means an arrangement with a supplier pursuant to which the City has the right to purchase Goods or Services on an "as and when required" basis over a period of time specified in the arrangement based on pre-established terms, including pricing and delivery requirements.

Surplus Goods means any items no longer having any use to the City or in excess of the needs of the City that have become available for transfer, sale, or disposal including, but not limited to, obsolete supplies, scrap materials, and vehicles but excluding real property.

Vendor means a supplier that is a party to a Contract for the supply of Goods or Services to the City such as a contractor, consultant, software licensor or service provider.

3. POLICY OBJECTIVES

(a) The objectives of this policy are to:

- to describe the roles, responsibilities, accountabilities and to delegate authorities to CAO, CFO and others involved in the procurement and contracting on behalf of the City;
- promote openness, fairness and transparency while obtaining the best value for money in the procurement of Goods and Services;

- promote ethical conduct and avoid conflicts of interest between suppliers and elected officials and staff; and

- ensure procurement processes comply with applicable legal obligations and, where appropriate and practicable, are aligned with the requirements of trade agreements that apply to Ontario municipalities.

4. ROLES AND RESPONSIBILITIES

4.1. General Responsibilities

(a) All City staff and any other person authorized to spend City funds to purchase Goods and Services on behalf of the City must comply with this policy and the Procurement Procedures.

4.2. Council

(a) Council's role in procurement is, generally, to establish the policy, approve the budget and modifications to the budget, receive reports on the City's procurement and contracting activities and approve certain Contract awards.

(b) Council has the ultimate authority for this policy including the authority to approve exceptions and amendments to this policy.

4.3. Chief Administrative Officer (CAO)

(a) The CAO is accountable to Council for the proper administration of, and staff compliance with, this policy.

(b) The CAO is responsible for:

- establishing a DPA Matrix for the City in consultation with the CFO;
- participating in the Approval Committee, as required;
- ensuring Senior Leaders and Management Staff comply with this policy; and
- issuing CAO directives concerning procurement activities where such actions are considered necessary and in the best interest of the City.

4.4. Chief Financial Officer (CFO)

(a) The CFO shall have the authority and be responsible for:

- ensuring the establishment of Procurement Procedures to be used by the City for procurement and contracting that are consistent with this policy, compliant with applicable laws and CAO directives issued pursuant to this policy (if any), and aligned with applicable trade agreements as appropriate;
- through the delegated authority pursuant to this policy, making administrative amendments to this policy as may be required from time to time to reflect the updated CFTA Threshold;
- establishing such additional procurement controls, approval requirements, and oversight measures as the CFO considers necessary to ensure compliance with the policy and sound financial administration;
- ensuring training on the requirements of this policy and the Procurement Procedures is available to City staff;
- designating staff within the CFO's area of responsibility to perform the CFO's responsibilities on the CFO's behalf as deemed appropriate;
- appointing a Procurement Manager to perform the delegated authorities and responsibilities assigned in this policy and any other responsibilities as may be

delegated by the CFO to ensure the proper administration of the policy and the Procurement Procedures as determined by the CFO from time to time.

4.5. Procurement Manager

(a) The Procurement Manager shall have the authority, and be responsible, for the following:

- acting as the primary point of contact for City staff on the day-to-day interpretation and application of this policy and the Procurement Procedures;
- administering procurement and applicable contracting processes in accordance with this policy and the Procurement Procedures and directives, including ensuring the maintenance of appropriate records;
- supporting City staff with procurements as set out in this policy and the Procurement Procedures and CAO directives;
- authorizing the selection of the most appropriate procurement type;
- the issuance of Purchase Orders to suppliers on behalf of the City;
- developing, maintaining, and implementing the Procurement Procedures, on behalf of the CFO;
- serving as the City's subject matter expert on procurement matters and making recommendations to the CFO regarding improvements to this policy and the Procurement Procedures;
- ensuring any non-compliance is reported, in writing, to the applicable Management Staff, Senior Leader, or the CFO, as appropriate;
- delegating authority to employees working within the Procurement department to perform the Procurement Manager's departmental responsibilities as deemed appropriate;
- performing other authorities and responsibilities as may be set out in this policy, Procurement Procedures or as may be delegated by the CFO or CAO from time to time.

4.6. Senior Leaders and Management Staff

(a) Senior Leaders and Management Staff, as Budget Owners, are authorized to procure Goods and Services on behalf of the City subject to complying with the requirements of this policy and the Procurement Procedures.

(b) Senior Leaders and Management Staff are responsible for the following:

- ensuring staff reporting to them involved in procurement activity receive appropriate training;
- preparing specifications, quantity requirements and scope of work to be used in the procurement of Goods and Services;
- ensuring City and Vendor compliance with the terms and conditions of the Contract including monitoring Contract expenditures to ensure expenditures do not exceed approved expenditure amounts;
- receiving, accepting and authorizing payment of Goods or Services procured in accordance with this policy;
- ensuring City staff in their area of responsibility comply with this policy and the Procurement Procedures, that any non-compliance is reported, in writing, to the Procurement Manager and the respective Management Staff, Senior Leader, CFO, or the CAO, as appropriate; and
- performing other authorities and responsibilities as may be set out in this policy or the Procurement Procedures or as may be delegated by the CFO or CAO from time to time.

(c) Senior Leaders are accountable to the CAO, and Management Staff are accountable to the applicable Senior Leader, for all procurement and contracting activities within their area of responsibility whether performed by them directly or by staff working in their area of responsibility.

4.7. General Prohibitions

(a) Persons undertaking procurements on behalf of the City:

- must not divide purchases to avoid the requirements of this policy or the Procurement Procedures by any method;
- must not impose or consider, in the evaluation of Bids or awards of Contracts, local content or other economic benefits criteria that are designed to favour the Goods or Services of a particular geographic location or the suppliers of a particular geographic location of such Goods or Services except (i) where required by law; or (ii) where it is a condition imposed by a government funding entity;
- must not circumvent the requirements of this policy or the Procurement Procedures including, but not limited to, biasing specifications or scheduling events to prevent suppliers from meeting requirements; or
- must not provide information to one Bidder to give that Bidder an advantage over other suppliers.

5. PROCUREMENT AND CONTRACTING AUTHORITIES

5.1. Delegation of Procurement and Approval Authority

(a) Procurement Authority. Management Staff and Senior Leaders, as Budget Owners, are authorized to initiate and administer a procurement process for the acquisition of Goods and Services subject to compliance with this policy and the Procurement Procedures.

(b) Approval Authority. The Approval Authority specified in the Procurement Approval Table in Schedule A is authorized to approve the award of a Contract based on the Contract Value and, as appropriate, the recommendation of the Procurement Manager and the Budget Owner, confirming compliance with this policy and the Procurement Procedures.

(c) DPA Matrix. The CAO may, in consultation with the CFO, delegate Approval Authority to appropriate City staff for Contract Values up to $100,000. Any such CAO delegation shall be set out in a written DPA Matrix maintained by the CFO.

5.2. Authority to Initiate a Procurement

(a) Availability of Funds Must be Confirmed: Prior to initiating a procurement process, the Budget Owner must confirm they have sufficient funds available in a Council-approved City budget or approval has been granted by specific Council resolution for the proposed Contract (each, an “Approved Budget”).

(b) Budget Shortfall Identified Prior to Contract Award: The Budget Owner must immediately notify the Senior Leader, Procurement Manager and the CFO where the estimated expenditure under a Contract anticipated to be incurred during the period covered by the Approved Budget is revised and exceeds the Approved Budget at any time prior to Contract award. Notwithstanding the applicable

Approval Authority for the Contract, Council approval must be obtained for the award of a Contract that contemplates the purchase of Goods and Services that will exceed the funds available in the Approved Budget. If Council does not approve the recommended budget increase, the Procurement Manager and the Budget Owner may cancel the procurement process or take such other action as is authorized by Council or this policy.

5.3. Multi-Year Contracts

(a) Senior Leader and CFO approval is required to initiate a procurement process where the duration of a proposed Contract, including optional extensions, will extend beyond the period of the Approved Budget (a "Multi-Year Contract").

(b) In determining whether to authorize the initiation of a procurement for a Multi-Year Contract, the CFO, in consultation with the Senior Leader, may consider the anticipated availability of future funding, consistency with the City's financial plans and forecasts, the total financial commitment and associated risks, the term of the proposed Contract, whether it is for an ongoing requirement or is a new requirement and whether the procurement is financially prudent and in the best interests of the City. The approval to proceed with a procurement is confirmation of the likely availability of funds for the period beyond the period covered by the Approved Budget however approval of future budgets remain subject to Council approval.

(c) For Goods or Services that are routinely purchased on a multi-year basis, the Approval Authority specified in the Procurement Approval Table in Schedule A is authorized to approve the award of a Multi-Year Contract if all of the following conditions are satisfied:

- there is sufficient funding for purchases to be made pursuant to the Contract for the period covered by the Approved Budget;
- the total Contract term, including any optional extension years, does not exceed five years; and
- the Contract Value is less than $1,000,000.

(d) Multi-Year Contracts that do not meet the conditions in paragraph (c) must be approved by Council.

5.4. Procurement of Information Technology

(a) Regardless of the Contract Value, the Director of Information Systems must be consulted prior to the initiation of a procurement and included in the approval of the specifications and contract terms where a procurement, in whole or in part, involves the acquisition of computer hardware or software, an internet application, or licensing or maintenance, or will have implications for the City's existing information technology infrastructure.

5.5. Contract Signing Authority

(a) All Contracts must be signed as provided in the City's Delegation of Powers and Duties Policy for municipal staff.

5.6. Contract Amendment Authority

(a) A Contract may only be amended to increase the City's financial commitments, including any extensions to the term, if

- there is sufficient Approved Budget; and

- the increase is contemplated by the Contract, such as an optional extension to the term that is contemplated by the Contract; and
- it is approved in accordance with this policy.

(b) The Approval Authority for a Contract amendment shall be determined based on the cumulative Contract Value following the amendment, in accordance with the Procurement Approval Table in Schedule A. Despite Schedule A, where Council approval would otherwise be required solely because of the amended Contract Value and provided sufficient Approved Budget is available to cover the amendment, the Approval Committee may approve the amendment.

(c) A Contract may only be amended to add Goods or Services without undertaking a new procurement process if one of the following circumstances apply:
- the Contract includes an option to, or otherwise contemplates, the City purchasing additional Goods or Services of the same class as provided in the proposed amendment; or
- the addition of Goods or Services is necessary for the completion of the original project.

If the above conditions are not met, the Contract may only be amended to add Goods or Services if a non-competitive procurement is justified in accordance with this policy. The contract amendment must be approved in accordance with the Approval Authority as outlined in Schedule A for Non-Competitive Procurements (Exemptions in Schedule B).

5.7. Contract Termination Authority

(a) Early termination of a Contract prior to the expiration date requires CAO approval in consultation with City Solicitor.

5.8. Sub-Delegation of Authority

(a) A City staff member who has been delegated authority under this policy or any related delegation of authority document may, during their absence or inability to carry out their authority, temporarily subdelegate that authority in writing to another City staff member within their area of responsibility for the purpose of supporting ongoing operations in their absence.

(b) The original delegate is responsible for ensuring their subdelegate's understanding of their authorities and responsibilities as subdelegate under this policy and the Procurement Procedures.

(c) A temporary subdelegate may not further sub-delegate the authority granted under this section.

6. PROCUREMENT AND CONTRACTING PROCESS

6.1. Competitive Procurement Process by Default

(a) A competitive procurement process must be used to procure Goods or Services with a Procurement Value exceeding the Low Dollar Value threshold unless a non-competitive process is permitted by this policy.

6.2. Permitted Non-Competitive Procurement

(a) A Non-Competitive Procurement is permitted in the following circumstances:

- **Low Dollar Value purchase**: where the Procurement Value is less than or equal to the Low Dollar Value threshold; or
- **Exempt Purchase, with justification**: where the Contract, Goods or Services qualify for an exemption under Schedule B (EXEMPTIONS); or
- **Excluded Purchase**: where the Contract or expenditure is excluded from the procurement process requirements under Schedule C (EXCLUSIONS).

6.3. Procurement and Contracting Processes based on Procurement Value

(a) The permitted procurement processes, contracting approaches and Approval Authorities for procuring Goods or Services are based on the Procurement Value as shown in the Procurement Approval Table in Schedule A.

6.4. Standing Arrangements

(a) Where the City anticipates it will have a recurring need for specific Goods or Services but is unable to commit to specific quantities in advance, the Procurement Manager may establish Standing Arrangements with one or more suppliers. To establish a Standing Arrangement, a public competitive process must be used where required pursuant to this policy.

(b) A Standing Arrangement must include all terms and conditions applicable to subsequent procurements, including the price of the Goods or Services and delivery requirements. If Standing Arrangements are established with multiple Vendors for the same Goods or Services, clear ranking methods and call-up procedures must be specified in the arrangement to address the second stage procurement process.

6.5. Prequalified Supplier Lists

(a) The Procurement Manager may establish Prequalified Supplier Lists to be used for future procurement for specific Goods or Services by conducting a publicly advertised Prequalification Process.

(b) Except as may be specified in the Procurement Procedures, once a Prequalified Supplier List is established, purchases may be made from the prequalified suppliers without undertaking a public competitive process.

6.6. Cooperative Purchasing (Buying Groups)

(a) The City may participate in Cooperative Purchasing or purchase from existing Cooperative Purchasing arrangements where the Procurement Manager determines it is in the interests of the City to do so.

(b) If the City participates in Cooperative Purchasing, the City may rely on the procurement policies of the entity or other entities leading the Cooperative Purchasing, provided that such policies comply with the purposes, goals, objectives of this policy.

(c) If the City is leading the Cooperative Purchasing, the City will follow this policy and the Procurement Procedures.

(d) The Procurement Manager is delegated authority to approve the participation in, and use of, Cooperative Purchasing arrangements.

6.7. Contract Award Notice

(a) Where a Contract is awarded with a Procurement Value above the CFTA Threshold whether through a public competitive process or a non-competitive process, the City will publish a contract award notice on the City's designated tendering website no later than 72 calendar days after the Contract signature.

(b) The City may elect not to publish the award of Contract where a non-competitive process was:

- Exempted for reasons of Special Exemption or Confidential or Privileged Goods or Services pursuant to Schedule B (EXEMPTIONS)
- Excluded pursuant to Schedule C (EXCLUSIONS).

6.8. Bidder Debriefing

(a) The City shall, on request by an unsuccessful Bidder made within 30 days of being notified of the outcome of a procurement process, provide a debriefing during which the Bidder will be provided the reasons why the City did not select their Bid.

6.9. Supplier Complaints

(a) A supplier that wishes to challenge a procurement decision made by the City is required to provide a written complaint within 5 business days of attending a debriefing or, if the supplier is not a Bidder, within 10 business days of (i) becoming aware of the basis for a procurement complaint or (ii) date of publication of award.

(b) Any complaint must be in writing and shall include the following details:

- A precise statement of the relevant facts;
- An identification of the issues to be resolved;
- The supplier's argument and supporting documentation; and
- The supplier's requested remedy.

(c) All complaints will be routed to the Procurement Manager who will ensure a review of the complaint is undertaken by the City, and a response to the supplier's complaint is made within 30 calendar days.

6.10. Contract Administration

(a) The Budget Owner is responsible and accountable for the administration of each Contract within their area of responsibility in accordance with this policy and the Procurement Procedures.

(b) The Budget Owner may delegate contract administration responsibilities to staff within their area of responsibility; however, the Budget Owner remains accountable for ensuring those responsibilities are performed in accordance with this policy and the Procurement Procedures.

(c) Without limiting the generality of the foregoing, the Budget Owner is responsible for monitoring the City's and the Vendor's compliance with the Contract and promptly addressing any instances of non-compliance.

6.11. Record Retention

(a) The Procurement Manager is responsible for ensuring that all documentation relating to a procurement and contracting is properly filed in accordance with applicable City policies and procedures.

(b) Documentation and reports regarding procurement processes and Contract awards must be preserved in accordance with the City's retention by-law.

7. UNSOLICITED BIDS

(a) An unsolicited proposal directed to the City for the supply of Goods or Services must be forwarded to the Procurement Manager.

(b) Any procurement activity resulting from the receipt of an unsolicited proposal must comply with the provisions of the non-competitive procurement requirements of this policy and the Procurement Procedures.

8. IDENTICAL BIDS

(a) Unless stated in the RFx document for a particular solicitation, if the lowest Bid from two or more Bidders is identical in total cost or unit price, the Procurement Manager, in the presence of the respective Senior Leader and another staff member as selected by the Procurement Manager, shall determine the recommended Bidder by way of a coin toss or by way of draw of a name where more than two identical Bids exist.

9. ETHICAL CONDUCT

9.1. Employees and other Persons Acting on behalf of the City

(a) Employees and others involved in procurement and contracting activities on behalf of the City:

- must comply with the principles and ethical behaviors outlined in the City's Code of Conduct in relation to their procurement activities;
- must maintain and practice, to the highest degree possible, business ethics, professional courtesy and competence in all procurement and contracting activities;
- must reject any and all offers of favours, gifts, gratuities, and loans regardless of value unless otherwise provided in the Procurement Procedures or in accordance with the City's Municipal Code of Ethics Policy;
- must undertake all procurement activities without positive or negative bias;
- must strive to obtain the maximum value for each dollar of expenditure;
- must use reasonable measures to protect confidential or proprietary supplier information that is submitted in connection with a procurement process or Contract;
- may only use City Contracts for the purchase of Goods and Services for the benefit of the City and not for their personal benefit, or anyone else's benefit; and
- must promptly declare any direct or indirect financial or personal interest in a procurement or potential Contract to the applicable Senior Leader or the CFO. Where it is determined that a conflict of interest exists and that the conflict cannot be managed, such person shall be excluded from involvement with the procurement.

(b) Employees must not bid on City RFx processes or act as supplier to the City unless pre-approved by the CAO in consultation with the City Solicitor.

9.2. Council Members

(a) Council members are required to respect the principles and ethical behaviors outlined in the City's Council Code of Conduct.

(b) Without limiting Council's authority as the City's governing body and to preserve the integrity of the procurement process:

- individual members of Council, including the Mayor, must remain at arm's length from staff and suppliers in the procurement process and refrain from either intervening or interfering in the procurement process, the evaluation of Bids, selection of suppliers, or staff recommendations; and
- individual members of Council should not receive or review any information or documents related to a particular procurement during the procurement process.

9.3. Suppliers

(a) Suppliers are required to comply with the principles and ethical behaviours outlined in the City's Supplier Code of Conduct attached as Schedule D to this policy.

10. SUPPLIER SUSPENSION

(a) A supplier, including affiliated persons, may at any time be declared suspended from participation in future procurement opportunities by the CAO in consultation with the City Solicitor or their Bid may be disqualified on grounds such as:

- a violation of the Supplier Code of Conduct attached as Schedule D to this policy;
- significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior Contract;
- bankruptcy or insolvency;
- making a claim, demand, action or other a legal proceeding against the City or being a supplier against who the City has a claim, demand, action or other legal proceeding with respect to any previous or existing Contract.

11. SPONSORSHIPS AND REVENUE-GENERATING AGREEMENTS

(a) Opportunities to participate in a revenue generating agreement or sponsorship of City events, including being granted naming rights will be publicly advertised and be administered by the Procurement Manager in an open, fair and transparent manner consistent with this policy unless an alternative approach has been approved in accordance with the City's Sponsorship Policy or as otherwise approved by the CAO.

12. SURPLUS GOODS

(a) Management Staff with responsibility for items that, in the Management Staff's opinion are no longer required or are otherwise surplus to the City's needs, are responsible for identifying such goods as Surplus Goods.

(b) The Management Staff will first offer the Surplus Goods to other City departments.

(c) Where no City department has assumed the Surplus Goods, the responsible Management Staff will determine a reasonable sale value where necessary, which may include a third party appraisal. Where Surplus Goods have little or no value,

the Management Staff may dispose of the items directly through a recycling process or applicable waste stream.

(d) Surplus Goods having a residual value will be disposed of, as determined by the Management Staff and with the assistance of the Procurement Manager, by way of:

- public auction;
- request for bid;
- trade-in at fair market value as part of the acquisition of similar items required by the City; or
- charitable donation to a recognized, registered organization.

(e) No staff member, member of Council or local board member of the City shall personally obtain any Surplus Goods unless it is obtained through a public process.

13. INFORMATION REPORTS TO COUNCIL

(a) The Procurement Manager shall provide a contract award report to Council for the prior month reporting on contracts awarded with a value exceeding the CFTA Threshold pursuant to delegated authority. This includes contract awards resulting from bid solicitations, non-competitive purchases, cooperative purchases and Extraordinary Circumstances (Emergency) purchases.

14. SHORT TITLE

The short title of this By-law shall be the “Procurement Policy”.

15. SCHEDULES

The Schedules A, B, C and D to this policy form an integral part of this policy.

16. POLICY REVIEWS AND AMENDMENTS

All changes to this policy require the approval of Council except for changes of an administrative nature, such as the change in title of a position and CFTA Threshold. A formal review of the policy must be undertaken by the CFO at least once every 5 years.

17. REPEAL

By-law No. 2013-200, as amended, will be repealed upon enactment of this by-law.

18. ENACTMENT

This By-law shall come into force and effect on October 23, 2026.

Read a First Time in Open Council this 11th day of August, 2026.

Read a Second Time in Open Council this 11th day of August, 2026.

Read a Third Time in Open Council and passed this 11th day of August, 2026.

Mayor Peter Chirico

City Clerk Karen McIsaac

SCHEDULE A - PROCUREMENT APPROVAL TABLE

LOW DOLLAR VALUE & COMPETITIVE PROCUREMENT

Procurement Value	Procurement Method	Approval Authority based on Contract Value	Contracting Method
Up to $25,000	**Low Dollar Value Purchase** • Direct purchase • Competitive quotes at the discretion of Budget Owner • Must demonstrate good value for the City • Public advertising not required	DPA Matrix	Informal Contract: Purchasing Card, Purchase Order or Formal Contract
Over $25,000 - $50,000	**Invitational Competitive Process – 3 quotes (Invitational Bid Request)** • Minimum of 3 quotes received by email • Budget Owner may directly request quotations • Bid request optionally may be facilitated by Procurement Manager Optional: Public Competitive Process, facilitated by Procurement Manager	DPA Matrix	Informal Contract (Purchasing Card, Purchase Order) or Formal Contract
Over $50,000 -$139,000*	**Invitational Competitive Process w/Procurement Manager** • Minimum of 3 quotes received • Bid Request MUST be facilitated by Procurement Manager • Must be conducted using a formal RFx document Optional: Public Competitive Process	Up to $100,000 as per DPA Matrix and greater than $100,000 CAO	Formal Contract or Informal Contract
Over $139,000* - $250,000	**Public Competitive Process** • Formal RFx administered by the Procurement Manager • Public advertising is required	CAO	Formal Contract or Informal Contract
Over $250,000-$1M	**Public Competitive Process** • Formal RFx administered by the Procurement Manager • Public advertising is required	Approval Committee	Formal Contract
Over $1M	**Public Competitive Process** • Formal RFx administered by the Procurement Manager • Public advertising is required	Council	Formal Contract

* in the above table denotes the CFTA Threshold in effect for the period January 1, 2026, to December 31, 2027. The CFTA Threshold specified in the table may be revised from time to time by the CFO to reflect updates to the published CFTA Threshold.

NON-COMPETITIVE PROCUREMENT (EXEMPTIONS IN SCHEDULE B)

Procurements covered under Schedule B – Exemptions require the following approvals.

Contract Value	Approval Authority based on Contract Value	Contracting Method
Over $25,000 - $100,000	Procurement Manager approval (confirms the Exemption is consistent with the Policy) and Approval Authority as per DPA Matrix	Informal Contract (Purchasing Card, Purchase Order) or Formal Contract
Over $100,000 -$250,000	Procurement Manager (confirms the Exemption is consistent with the Policy) and CAO	Formal Contract or Informal Contract
Over $250,000	Procurement Manager (confirms the Exemption is consistent with the Policy) and Council	Formal Contract

Extraordinary Circumstances (Emergency) procurements are permitted within the Approval Authority specified in the above table. With the exception of a Low Dollar Value purchase, the Procurement Manager shall approve and facilitate all Extraordinary Circumstance (Emergency) purchases. Where impractical, a follow-up purchase requisition shall be submitted to the Procurement Manager.

Where an Extraordinary Circumstance (Emergency) purchase exceeds the limits of the CAO and requires authorization of Council, the Approval Committee shall have authority to approve such purchase and a follow-up information report to Council shall be completed.

EXCLUSIONS IN SCHEDULE C

The procurement or expenditure of excluded goods and services require the same approvals as set out in the above table unless a different approval process is provided for such procurement or expenditure in another City policy or by-law.

SCHEDULE B – EXEMPTIONS

A non-competitive process for a procurement with a Contract Value exceeding the Low-Dollar Value threshold must be justified by at least one of the following exemptions and approved by the Procurement Manager where indicated in the Procurement Approval Table in Schedule A.

Justified Exemptions for Non-Competitive Procurements

(a) Contract Value Between Low-Dollar Value and the CFTA Threshold. The City may use a non-competitive process if the Contract Value is between the Low-Dollar Value threshold and the CFTA Threshold and, on the recommendation of the CFO, the CAO agrees it is not in the best interest of the City to solicit competitive Bids.

(b) No Compliant Bids Received. The City may use a non-competitive process if a competitive process was conducted and

i. no Bids were submitted;
ii. no suppliers satisfied the conditions for participation; or
iii. no submitted Bids met the essential requirements of the RFx. In these circumstances, the non-competitive process must be based on substantially the same requirements and specifications that were set out in the RFx.

(c) Only One Supplier. The City may use a non-competitive process if the Goods or Services can be supplied only by a particular supplier and no reasonable alternative or substitute Goods or Services exist for any of the following reasons:

i. the requirement is for a work of art;
ii. the protection of patents, copyrights, or other exclusive rights;
iii. due to an absence of competition for technical reasons;
iv. the supply of Goods or Services is controlled by a supplier that is a statutory monopoly;
v. to ensure compatibility with existing Goods, or to maintain specialized Goods that must be maintained by the manufacturer of those Goods or its representative;
vi. work is to be performed on property by a Contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
vii. work is to be performed on a leased building or related property, or portions thereof, that may be performed only by the lessor.

(d) Additional Deliveries. The City may use a non-competitive process for additional deliveries by the original supplier of Goods or Services that were not included in the initial procurement, if a change of supplier for such additional Goods or Services:

i. cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement; and
ii. would cause significant inconvenience or substantial duplication of costs for the City.

(e) Prototype and Pilot Projects. The City may use a non-competitive process if the City procures a prototype or Good or Service to be developed in the course of a contract for research, experiment, study, or original development, but not for subsequent purchases of the Good of Service in regular production.

(f) Exceptionally Advantageous Conditions – Unusual Disposals. The City may use a non-competitive process for purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as

those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular suppliers.

(g) Winner of Design Contest. The City may use a non-competitive process if a Contract is awarded to a winner of a design contest provided that: (i) the contest has been publicly advertised and organized in a fair and transparent manner; and (ii) the participants are judged by an independent jury.

(h) Confidential or Privileged Goods or Services. The City may use a non-competitive process if Goods or Services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a competitive process could reasonably be expected to compromise government confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.

(i) Extraordinary Circumstance (Emergency). The City may use a non-competitive process to obtain Goods or Services required in the event of an Extraordinary Circumstance (Emergency) which means any of the following:

i. Any situation that presents an imminent or actual danger to the life, health, or safety of any person;
ii. Any situation that presents an imminent or actual danger of injury to or destruction of real or personal property;
iii. Any situation that presents an imminent or actual unexpected interruption of a public service essential to the community;
iv. An emergency as defined by the Emergency Management and Civil Protection Act, R.S.O. 1990, c. E.9 and the emergency plan formulated thereunder by the City; and
v. An imminent or actual spill of a pollutant as contemplated by Part X (Spills) of the Environmental Protection Act.

(j) Special Exemptions. The list of contracts listed below are excluded from the trade agreements applicable to Ontario municipalities.

i. Goods or Services financed primarily from donations that require the procurement to be conducted in a manner inconsistent with this policy.

ii. Procurements by the City on behalf of an entity not covered by this policy.

iii. Procurements under a commercial agreement between the City which operates sporting or convention facilities and an entity not covered by this policy that contains provisions inconsistent with this policy.

iv. Acquisition of Goods or Services for the purpose of commercial sale or re-sale by the City.

v. Procurement of Goods or Services from philanthropic institutions (only for Contracts that are below the threshold of the Canada-EU trade agreement), non-profit organizations, prison labour, or natural persons with disabilities.

vi. Procurement of Goods or Services for the specific purpose of providing international assistance, including development aid, provided that the City does not discriminate on the basis of origin or location within Canada of goods, services, or supplier.

SCHEDULE C – EXCLUSIONS

Contracts for Goods and Services and payment of the expenses listed below are excluded from the competitive procurement requirements and public notices required by this policy.

If a Contract is excluded by virtue of this Schedule C, the competitive and public notice requirements in this policy shall not apply to any Good or Service supplied pursuant to that Contract. For example, if the landlord on a lease is providing facility fit up services, because a lease is an excluded agreement, the fit up services are also excluded.

The CFO may from time to time, approve additional exclusions as appropriate provided such exclusions are consistent with the requirements of this policy.

A. **Excluded Professional Services Agreements**

(a) Contracts for health or social services.

(b) Services that may, under applicable law, only be provided by licensed lawyers or notaries.

(c) Services of expert witnesses or factual witnesses used in court or legal proceedings.

(d) Financial services respecting the management of government financial assets and liabilities (i.e., treasury operations), including ancillary advisory and information services, whether or not delivered by a financial institution.

B. **Non-Procurement Agreements and Transactions**

(a) Employment Contracts including payroll deduction remittances, committee fees and honorariums.

(b) Contracts for election Goods or Services.

(c) Non-legally binding agreements.

(d) Payment of insured expenses and insurance premiums including insurance adjuster services.

(e) Payments of debts.

(f) Any payments required to be made by the City under statutory authority.

(g) Any form of financial assistance, such as grants, loans, equity infusions, guarantees, and fiscal incentives.

(h) Agreements between enterprises that are controlled by or affiliated with the same enterprise, or between one government body or enterprise and another government body or enterprise.

(i) Acquisition or rental of land, real property payments including land, buildings, leasehold interests, easements, encroachments and licenses, or the like. The landlord's or seller's provision of related services, such as the fit up of premises will also be excluded.

(j) Management of third-party legal claims against the City, negotiation of legal settlements and grievance settlements, including damage claims.

(k) Binding orders, judgments or decisions of an arbitrator, tribunal, or court. Given that these payments are mandatory, approval from the Senior Leader which is funding the payment is required.

(l) Refundable employee travel expenses, such as advances, meals, reimbursements, accommodation and travel.

(m) Other City and employee related expenses, such as memberships in professional organizations (professional dues), staff attendance at seminars, testing or examination fees, workshops, courses, training, trade shows or conferences, magazines, books, periodicals and subscriptions.

(n) Employer's General Expenses

- Licenses (vehicles, firearms, elevators, etc.)
- Debenture payments
- Grants to agencies
- Petty cash replenishment
- Tax remittances

(o) Professional and Special Services

- Committee fees
- Honorariums
- Postal services
- Ongoing maintenance, support and licensing agreements for hardware and software systems originally acquired in accordance with this policy.

(p) Utilities

- Water and Sewer
- Hydro
- Natural Gas
- Telephone (excluding cellular)
- Cable Television

(q) Entertainers for special events

SCHEDULE D - SUPPLIER CODE OF CONDUCT

A. Introduction

The following describes the minimum standards of business conduct the City expects from every supplier that has dealings with the City whether as Bidder or Vendor. The expected standards of conduct apply to a supplier's owners, employees, agents, partners, and subcontractors who provide goods or services to the City.

B. Standards Of Conduct

Honesty, Integrity, and Professionalism

Suppliers must treat all persons honestly, fairly, professionally and with courtesy and at all times act responsibly and diligently in the performance of their duties.

Suppliers must respond to the City's solicitations in an honest, fair, and comprehensive manner that accurately reflects their ability to satisfy the requirements in the bid solicitation document.

Workplace Well-Being

The City is committed to protecting the health and safety of all employees and others working or otherwise interacting with the City, to protect against illness, injury, incidents of discrimination, violence, and harassment. Consistent with the City's commitment, suppliers must ensure, provide, and maintain a safe and healthy work environment to all persons in the workplace or in the City's facilities that is free from risks of illness or injury, and of incidents of discrimination, violence, and harassment.

Intimidation of Other Suppliers

No supplier may threaten, intimidate, harass, or otherwise interfere with any attempt by another prospective supplier to bid for a contract or to perform any contract awarded by the City.

Conflicts of Interest

Suppliers are required to promptly disclose any potential, actual or apparent conflict of interest (as defined below) when dealing with the City. Where the conflict cannot be sufficiently mitigated or avoided, the City may suspend a supplier from participating in a procurement process or terminate the Contract.

A **conflict of interest**, in relation to the procurement or the contract with the City is where a supplier's conduct or their commitments, relationships or financial interests could, could be seen to, compromise the fairness of the procurement process or otherwise impair or be incompatible with the effective performance of suppliers' contractual obligations to the City and may include:

(a) engaging family members, friends, or business associates of any staff or public office holder at the City which may have, or appear to have, any influence on the procurement process, or subsequent performance of the contract;

(b) communicating with any person to obtain preferred treatment in the procurement process;

(c) engaging current or former staff or public office holders at the City to take part in the preparation of the Bid or the performance of the Contract, if awarded;

(d) prior involvement by the supplier or affiliated persons in developing the specifications or other evaluative criteria for the Bid solicitation document;

(e) access to related confidential information by the supplier or affiliated persons that is not readily available to other prospective suppliers;

(f) any other conduct that compromises, or could be seen to compromise, the integrity of the procurement process; and

(g) with regard to the performance of the Contract, any current or former relationship that would cast doubt on the supplier's ability to provide independent and unbiased advice to the City.

Confidentiality

Suppliers must maintain the confidentiality of all non-public information disclosed to the supplier as part of the procurement process. Any misuse by a Bidder of confidential information belonging to the City or another Bidder shall be grounds for disqualification of the Bid.

Compliance with Laws

Suppliers must comply with applicable laws during the bidding process, including the Competition Act, and any law that applies to suppliers as contractors to the City or in any other capacity.

Gifts and Entertainment, Anti-Bribery and Corruption

No payments, gifts or other benefits or inducements may be given, directly or indirectly, to any person directly or indirectly involved, or that may become involved, in a procurement process or contract-related decision for the purpose of influencing decisions in the City or the supplier's favour or securing any other improper advantage.

Suppliers must ensure that the requirements of all applicable anti-corruption laws are met, including, but not limited to, Canada's Corruption of Foreign Public Officials Act.

Suppliers are expected to ensure that payments made to agents or other third parties are not used, in whole or in part, to influence municipality decisions or secure any other improper advantage.

Collusion and Bid Rigging

By submitting a Bid, a supplier is certifying to the City that: (a) the prices in their Bid have been arrived at independently from those of any other Bidders; (b) the prices in their Bid have not been knowingly disclosed by the Bidder, and will not knowingly be disclosed by the Bidder prior to award, directly or indirectly to any other Bidder or competitor; and (c) no attempt has been made, nor will be made, to induce any other person to submit, or not to submit a Bid, for the purpose of restricting competition.

A violation of this provision may violate the Competition Act; and if there is a violation, it may result in the imposition of serious fines and possibly imprisonment pursuant to that Act.

Public Statements

Suppliers shall not publish, issue, or make any statements or news release, electronic or otherwise, concerning a City procurement process or Contract without the express prior consent of the City. For certainty, suppliers shall not make any public statements concerning theirs or any other Bid, the evaluation of the Bid, or the award of the

Contract or cancellation of a procurement process or in relation to activities under any Contract.

Suppliers to the City are strictly prohibited from making any public statements relating to City matters or decisions, engaging with the City's constituents or councillors on City matters, and taking a public position in relation to issues of municipal interest, without the City's express prior written consent.

Lobbying

Bidders must not engage in any form of political or other lobbying whatsoever with respect to a procurement process or any Contract or otherwise attempt to influence the outcome of a procurement process directly or indirectly by any manner whatsoever other than by submitting a Bid.

C. Consequences

Breaches of this Supplier Code of Conduct are taken seriously. A failure to comply with this Supplier Code of Conduct may result in a supplier suspension from bidding on City Contracts or termination of a Contract, in whole or in part and may include removal of the supplier from the City's prequalified supplier list. The Supplier Code of Conduct is not to be read in lieu of but in addition to the supplier's obligations as set out in any Contracts between the City and the supplier. In the event of a conflict between the Supplier Code of Conduct and a Contract, the terms of the Contract shall govern.