

**Purchasing By-Law 68-2000**

**(Amended June 25, 2014)**

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By-Law Number 68-2000 (Amended June 25, 2014)

of the Regional Municipality of Durham

Being a by-law to define the purchasing and tendering policies and procedures covering the acquisition of goods, services and construction projects by the Regional Municipality of Durham, and to repeal By-Law number 195-90 as amended.

**Be it enacted and it is hereby enacted** as a by-law of the Regional Municipality of Durham by the Council thereof as follows:

## **1.0 Definitions and interpretations**

### 1.1 Definitions

**"acquisition"** means the process of obtaining goods and services, including rental or lease;

**"bid"** means an offer or submission from a vendor in response to a request for quotation, tender, or proposal, which is subject to acceptance or rejection;

**"Commissioner of Finance"** means the Commissioner of Finance and Treasurer for the Regional Municipality of Durham, or his or her designate;

**"centralized purchasing"** refers to the activities in this regard conducted by the Supply and Services Division of the Finance Department which is responsible for the purchase of all goods and services as provided in this by-law;

**"consulting and professional services"** includes architects, engineers, designers, surveyors, management and financial consultants, brokers, soil consultants, real estate appraisers, Ontario land surveyors, and any other consulting and professional services rendered on behalf of the Region;

**"contract"** means binding agreement between two or more parties;

**"co-operative purchasing"** refers to the participation of two or more public agencies in a tender call;

**"council"** means the Council of the Regional Municipality of Durham;

**"department head"** means the head of any Regional Department;

**"designated official"** means the Manager of Supply and Services, his authorized delegate or such official as may be appointed from time to time by the Commissioner of Finance to act on behalf of the Region in entering into contracts with third parties in accordance with the requirements of this by-law;

**"emergency"** means a situation where the immediate purchase of goods, works or services is essential to prevent serious delays in the work of any department which might involve danger to life, damage to property or the provision of an essential service;

**"goods and services"** includes supplies, equipment, materials and maintenance and service contracts;

**"instructions to bidders"** are the instructions given to prospective bidders in a request for quotation, tender or proposal;

**"inventory control"** refers to the management of materials required by user departments to ensure that they are available when required while at the same time minimizing investment;

**"personal purchases"** means a purchase of goods or services requested by an elected official, an appointed official or by any other employee of the Region the requirement for which is not for the Region or any of its purposes but is for the benefit and use of the person requesting the purchase;

**"proposal"** means an offer from a supplier in response to a request for proposal, acceptance of which may be subject to further negotiation;

**"purchase order"** means a written or electronic offer to purchase goods and services or a written or electronic acceptance of an offer;

**"purchase requisition"** is a request, in an approved form, to the Supply and Services Division to purchase goods and services;

**"quality based selection"** is a process for competitive selection of

consultant and professional services using value-based criteria such as experience, expertise, resources, etc;

**"quotation"** means an offer from a supplier to buy from or sell goods and services to the Region;

**"real property"** for the purpose of this by-law, includes lands, buildings, tenements and any interest, estate or right or easement affecting same;

**"Region"** means the Regional Municipality of Durham;

**"standing agreement"** refers to a master agreement between Durham Region and a supplier for a stated period of time and covering specific goods or services with stated prices, or items of a general category that are covered by a published price list;

**"surety"** is 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 the terms and conditions within a tender;

**"standing committee"** means a committee appointed by Council;

**"systems contract"** refers to a master agreement between Durham Region and a supplier to facilitate the re-ordering of repetitive use material and usually involves the supplier carrying inventory;

**"tender"** means a written offer in a specified form received from a supplier in response to a public invitation to supply goods and/or services;

**"total purchase price"** means the sum of all invoice costs.

## 1.2 Interpretations

1.2.1 Words imparting the singular number or the masculine gender only, include more persons, parties or things of the same kind than one and females as well as males and the reverse.

1.2.2 Where an official of the Region is authorized to do any act pursuant to this by-law, such act may be done by such official's authorized

delegate.

1.2.3 The headings contained in this by-law are for reference only.

1.2.4 Appendices "A" and "B" attached hereto are hereby incorporated in this by-law.

## **2.0 Policies**

2.1 The Regional Municipality of Durham will acquire its goods, services and works without favoritism through the application of the highest standards of business ethics.

2.2 This by-law shall be applied and administered, having regard to the provisions of the Region's "Budget Management Policy".

2.3 Departments will review the potential for, and where appropriate include, specifications in bid solicitations that provide for energy efficient products, durable and re-usable products, products that contain the maximum level of post-consumer waste and/or recyclable content, products that are compostable or biodegradable and, products that include the least toxins and packaging, without significantly affecting intended usage or life-cycle or impacting conformance to compliance standards. It is understood that cost analysis will be utilized as appropriate to ensure products continue to be affordable and competitively priced and to ensure consideration of a life-cycle approach.<sup>30</sup>

2.4 Vendor complaints shall be handled with consideration to fairness and equity for all participants involved. All vendor complaints, whether addressed to Councillors or employees, shall be referred to the "designated official" for resolution.

All objections to a recommendation for award must be in writing. The "designated official" shall review the objection and determine, in consultation with the

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<sup>30</sup> Added as amended by By-Law 30-2013 on June 5, 2013

Region's Legal Department where necessary, whether the objection is material.

Where the objection is determined not to be material, the making of the award shall proceed in accordance with this by-law.

Where the objection is determined to be material and cannot be resolved, the award shall be made by Regional Council in consideration with the Purchasing By-Law.

In such an event, the "designated official" shall inform the Vendor of their right to make a deputation before the Finance & Administration Committee dealing with the award and advise the Vendor to contact the Corporate Services-Legislative Services Department for further information pertaining to the deputation process and should a deputation occur, a staff report be prepared for information to the Committee.<sup>31</sup>

### **3.0 Authority and responsibilities**

3.1 The Commissioner of Finance is hereby given the responsibility of operating a centralized purchasing unit on behalf of the Region in accordance with the requirements of this by-law. In carrying out this responsibility the Commissioner of Finance shall appoint a "designated official" to act on behalf of the Region in entering into contracts with third parties. The "designated official" of the Finance Department will therefore have the following specific responsibilities:

3.1.1 The acquisition of goods and services including the leasing, rental or maintenance and support of such goods and services;

3.1.2 The development and maintenance of a system of materials management and inventory control methods to maintain an adequate level of staple commodities to support and supply all Regional Departments;

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<sup>31</sup> Added as amended by By-Law 36-2014 on June 25, 2014

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- 3.1.3 The disposal of goods, equipment, supplies, materials and salvage which has been declared surplus by the respective department head. When no other use can be found for same by other Regional Departments or other publicly funded bodies in the Region, surplus material is to be disposed of by whatever means deemed appropriate by the "designated official" in order to realize the highest return for the Region;
  - 3.1.4 The development of cooperative purchasing plans with other levels of government and other local agencies, where deemed beneficial to the Region;
  - 3.1.5 The standardization of goods wherever possible;
  - 3.1.6 The calling, opening and checking of tenders for construction contracts;
  - 3.1.7 The administration of the tendering and/or request for proposal procedures for the sale of real property, where Council has directed the use of these methods;
  - 3.1.8 The development of detailed systems and procedures dealing with the acquisition, inventory control, and disposal of items detailed in this by-law;
  - 3.1.9 The establishment of general terms and conditions used in tenders, proposals and purchase orders in conjunction with the Regional Solicitor.
- 3.2 Regional boards or commissions
- 3.2.1 Where the authority to enter into contracts for the purchase of goods or services has been delegated or assigned to a Regional Board or Commission either by Council or by statute, such awards shall be made by the Board or Commission in accordance with the intent and provisions of this by-law, without the need for Council approval.

## **4.0 Acquisition process**

- 4.1 Each department of the Region shall submit to the Supply and Services Division of the Finance Department, purchase requisitions for all



applicable goods and services. All requisitions will be authorized by the Head of the Department.

- 4.2 Where a requirement for goods or services is to have a total estimated purchase price up to \$5,000<sup>1</sup> and the requirement is not covered by a “standing agreement”, departments have the choice of obtaining the requirements themselves using established procedures, or by submitting a purchase requisition to the Supply and Services Division of the Finance Department. Departments must use the “standing agreements” established for specific goods and services.
- 4.3 Where a requirement for goods or services has an estimated total purchase price greater than \$5,000<sup>2</sup>, the "designated official" shall: obtain quotations, tenders, or proposals; conduct negotiations; evaluate bids; administer procedures; and recommend an award in accordance with the requirements of this by-law.
- 4.4 The "designated official" shall issue a purchase order or initiate the appropriate contract form for the purchase of all applicable goods and services with an annual or project value greater than \$5,000<sup>3</sup>.
- 4.5 The “designated official” may issue “standing agreements” or “contracts” for regularly required goods and services, which establish contract terms and conditions including a variety of pricing formulas.
- 4.6 Departments may release goods or services themselves directly from a supplier against a “standing agreement” which has been established in accordance with this by-law. Such releases are to be made in accordance with established procedures.

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<sup>1</sup> As amended by By-Law 60-2008 on November 19<sup>th</sup>, 2008

<sup>2</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>3</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

- 4.7 Those items listed in Appendix “B” are excluded from the requirements of this by-law and therefore tenders, quotations, purchase requisitions and purchase orders are not required.

## **5.0 Informal quotations (\$5,000 to \$40,000)**

- 5.1 For applicable purchases with an estimated total purchase price greater than \$5,000<sup>4</sup> and not exceeding \$40,000<sup>5</sup> quotations will be obtained by whatever method of communication deemed appropriate by the “designated official”. After consultation with the appropriate Department Head, an award shall be determined from such suppliers and upon such terms and conditions that are deemed beneficial to the Region.

## **6.0 Formal quotations (\$40,000 to \$125,000)**

- 6.1 For applicable purchases with an estimated total purchase price greater than \$40,000<sup>6</sup> and not exceeding \$125,000<sup>7</sup>, at least three written quotations shall be obtained by the “designated official”, wherever possible. Such quotations shall be analyzed and the results tabulated.
- 6.2 Where the quotation meeting specifications and offering the lowest overall cost to the Region is acceptable, an award shall be made, after consultation with the appropriate Department Head.

## **7.0 Tenders**

- 7.1 For applicable purchases with an estimated total purchase price greater

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<sup>4</sup> As amended by By-Law 60-2008 on November 19<sup>th</sup>, 2008

<sup>5</sup> As amended by By-Law 60-2008 on November 19<sup>th</sup>, 2008

<sup>6</sup> As amended by By-Law 60-2008 on November 19<sup>th</sup>, 2008

<sup>7</sup> As amended by By-Law 60-2008 on November 19<sup>th</sup>, 2008

than \$125,000<sup>8</sup> sealed tenders will be called. All such tenders are to be called, opened and awarded in accordance with established procedures, including the determination of tender irregularities included in Appendix “A”.

- 7.2 The tender shall be advertised in a publication of general circulation, on the internet or issued to vendors on the “qualified suppliers” list.
- 7.3 The tender will be issued by the “designated official”. Bids will be received by the Clerk and opened and read out in public.
- 7.4 Security must be used on all construction tenders and may be used on other tenders at the discretion of the “designated official”. The amount and form of the security must be satisfactory to the Commissioner of Finance except that the minimum amount is to be 5% of the total estimated value of the contract.<sup>24</sup>
- 7.5 Security to guarantee performance and payment must be used on all construction tenders and may be used on other tenders at the discretion of the “designated official”. The amount and form of such securities must be satisfactory to the Commissioner of Finance

## **8.0 Negotiation**

- 8.1 Purchases may be acquired by the “designated official” through negotiation under the following conditions:
  - 8.1.1 Where there is only one known source of supply;
  - 8.1.2 Where two or more identical bids are received;
  - 8.1.3 Where the lowest bid meeting specifications is excessive in total cost and/or substantially exceeds the estimated costs;
  - 8.1.4 Where the extension of an existing contract would prove more cost effective or beneficial;

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<sup>8</sup> As amended by By-Law 60-2008 on November 19<sup>th</sup>, 2008

<sup>24</sup> As amended by By-Law 23-2012 on April 25<sup>th</sup>, 2012

- 8.1.5 Where all bids received fail to meet the specifications and/or tender terms and conditions and it is impractical to recall tenders or quotations;
- 8.1.6 When due to market conditions, required goods or services are in short supply;
- 8.1.7 Emergencies as defined in Section 11.0;
- 8.1.8 Ongoing maintenance and repair service requirements for operating equipment and the Region's fleet of vehicles.

## **9.0 Consulting and professional services**

- 9.1 Notwithstanding the provisions of this by-law, which cover the acquisition of goods and services, the acquisition of Consulting and Professional Services shall be conducted in accordance with the provisions of this section (9.0).
- 9.2 Consulting and Professional Services will be acquired on a “quality based selection” methodology rather than simply the lowest price. Procedures to be used will be defined by the Commissioner of Finance and all consulting and professional requirements are to be covered by a written agreement in a form and content satisfactory to the Commissioner of Finance.
- 9.3 Where the project or annual value of a consulting or professional service assignment is expected to be less than \$60,000 the initiating department may obtain the services, in accordance with established procedures.<sup>25</sup>
- 9.4 Where the project or annual value of a consulting or professional service assignment is expected to be more than \$60,000 the initiating Department Head shall:
  - 9.4.1 Obtain written proposals through an RFP issued by the “designated official” and obtain Council approval of the recommended consultant; or

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<sup>25</sup> As amended by By-Law 23-2012 on April 25<sup>th</sup>, 2012

- 9.4.2 Submit a report to Council to obtain approval to acquire the services through a sole source negotiation conducted by the “designated official”<sup>26</sup>

## 10.0 Proposals

- 10.1 Purchases may be made through the use of proposals in those specific situations where a product or service cannot be adequately specified. This would apply to highly technical products or specialty services.
- 10.2 Where it has been determined that proposals are to be used and the total purchase price is greater than \$5,000<sup>9</sup> and not greater than \$40,000<sup>10</sup>, proposals shall be obtained. The initiating department, in consultation with the “designated official”, shall determine an award and a purchase order shall be issued.
- 10.3 Where it has been determined that proposals are to be used and the total purchase price is greater than \$40,000<sup>11</sup> and not greater than \$125,000<sup>12</sup>, at least three written proposals shall be obtained, wherever possible. The initiating Department Head, after consultation with the "designated official", shall analyze the proposals, tabulate the results and determine an award. A purchase order shall be issued for the requirement.
- 10.4 Where it has been determined that proposals are to be used and the total

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<sup>26</sup> As amended by By-Law 23-2012 on April 25<sup>th</sup>, 2012

9.5 deleted as amended by By-Law 23-2012 on April 23, 2012

<sup>9</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>10</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>11</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>12</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

purchase price is greater than \$125,000<sup>13</sup>, the following procedures shall apply:

- 10.4.1 A selection committee shall be established consisting of the "designated official", the initiating Department Head(s), and any other individual(s) who may have an interest or have appropriate expertise.
- 10.4.2 A request for proposals shall be advertised in a publication of general circulation or on the internet and they shall be received by the Clerk's Department up to the time appointed.
- 10.4.3 Proposals are to be issued, received, opened and checked by the "designated official" in accordance with the established procedures<sup>27</sup>.
- 10.4.4 Proposals received shall be analyzed and tabulated by the selection committee and an award determined. A joint report setting out the results and recommending an award shall be submitted by the "designated official" and Department Head to the appropriate Standing Committee and Council who shall make a decision.

## **11.0 Emergency purchases**

Goods, works or services required to address an emergency shall be acquired by the "designated official". Where such emergencies occur outside of normal business hours, necessary purchases may be made by the appropriate Department Head or his authorized delegate, providing the "designated official" is notified of the subject purchase on the opening of the next business day. Should the purchase exceed \$25,000 a joint report by the "designated official" and the appropriate Department Head is to be submitted to the appropriate Standing Committee and Council, setting out the nature of the emergency and the necessity of the action taken pursuant to this clause.

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<sup>13</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>27</sup> As amended by By-Law 23-2012 on April 25<sup>th</sup>, 2012

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Such report shall be submitted no later than 60 days following the completion of the emergency work, or, if said emergency has a lengthy timeline, a report to provide an update on the status of the emergency situation shall be submitted no later than 60 days from work commencement.<sup>28</sup>

## **12.0 Acquisition of goods and services from government bodies**

Tenders or quotations shall not be required for goods or services to be provided by Utilities, Provincial or Federal Agencies, Crown Corporations, Municipalities, etc, when similar goods or services are not available from other sources.

## **13.0 Co-operative purchasing**

13.1 The “designated official” may enter into arrangements with area municipalities, local boards and other public bodies or authorities on a co-operative or joint basis where there are economic advantages in so doing; providing that under such arrangements:

13.1.1 The method of acquisition used is a competitive method similar to that described in this by-law; and

13.1.2 The awarding and reporting of such contracts is in accordance with the requirements of this by-law.

## **14.0 Qualification of suppliers**

14.1 For requirements worth up to \$125,000<sup>14</sup>, the “designated official” may compile a list of qualified suppliers whenever it is desirable to pre-qualify suppliers according to established criteria prior to selecting a supplier.

Such criteria will include, but not be limited to: health and safety records;

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<sup>28</sup> As amended by By-Law 23-2012 on April 25<sup>th</sup>, 2012

<sup>14</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

bidding history; experience; financial status; prior performance; etc.

14.2 In order to compile a list of qualified suppliers, the “designated official” will invite suppliers to apply for inclusion in such lists by advertisement in a newspaper of general circulation or through the internet.

14.3 For contracts worth more than \$125,000<sup>15</sup>, the prequalification of suppliers must be approved by the “designated official” for each project. A joint report by the “designated official” and the Department Head will be submitted to the appropriate Standing Committee and Council for approval of the recommended list of suppliers. Where the “designated official” has authorized the use of a prequalification process it must be conducted in accordance with established procedures.<sup>32</sup>

## **15.0 Award and reporting procedures**

15.1 Notwithstanding Section 7.0 through 8.0, prior to the award of any contract for goods, services or works, a Tender Award Report shall be submitted to the Chief Administrative Officer by the “designated official” and the Department Head, listing all bids received, a recommendation as to which tender shall be accepted and noting any irregularities in the bids received, in the following instances:

15.1.1 For contract awards that have a total purchase price exceeding \$125,000<sup>16</sup> and the low acceptable bid meeting specifications is the recommended award;

15.1.2 For negotiations to extend the term of a contract worth more than \$125,000<sup>17</sup> if the terms of the original contract allowed for extensions to

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<sup>15</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>32</sup> Amended by By-law 36-2014 on June 23, 2014

<sup>16</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>17</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009



be negotiated.

15.2 Notwithstanding Section 6.0 through 8.0, prior to the award of any contracts for goods or services, a joint report to the appropriate Committee and Council shall be submitted by the “designated official” and appropriate Department Head, or in the case of a construction project, the Department Head, in any of the following instances:

15.2.1 Where other than the lowest non-disqualified bid, meeting specifications, is recommended and the bid amount exceeds \$40,000<sup>18</sup>

15.2.2 When the negotiation process has been applied in instances other than optional contract extensions that formed part of the original bid and the original contract was worth more than \$125,000<sup>19</sup>;

15.2.3 Where required by the Budget Management Policy.

## **16.0 Authority and forms of contract**

16.1 The Department Head may authorize the acquisition of goods or services worth up to \$5,000<sup>20</sup> by telephone or facsimile and confirm the acquisition by purchase requisition or other authorized means.

16.2 The Department Head may authorize the release of goods or services against “standing agreements” set up in accordance with this by-law using established procedures.

16.3 All purchases in excess of \$5,000<sup>21</sup> shall be authorized by purchase order

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<sup>18</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>19</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>20</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

15.3, 15.4 Deleted as amended by By-Law-23-2012 on April 25<sup>th</sup>, 2012

<sup>21</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

issued by the “designated official”, except in those situations noted below.

16.4 When the nature of the goods or services being purchased warrants or where the vendor requires a different form of commitment than a Regional Purchase Order, a form of contract satisfactory to the Regional Solicitor shall be the form of commitment and shall be signed by the “designated official”.

16.5 Contracts for capital projects worth more than \$125,000<sup>22</sup> shall be executed in a form satisfactory to the Regional Solicitor;

16.6 Subject to statutory requirements and where all the requirements of this by-law have been met, the Regional Chair and Clerk are authorized to execute formal contracts for capital projects and any ancillary documents that have been prepared in a form satisfactory to the Regional Solicitor.

16.6.1 In the case of contracts for capital projects the Department Head may authorize additional payments for unforeseen work up to any limits set in the Budget Management Policy. Council approval is required to authorize work beyond these limits. Council approval is also required to formally amend a contract for capital projects to include work that was not part of the original scope of the project.

## **17.0 Prohibitions**

### 17.1 Confidentiality

No employee, or any appointed or elected official, shall divulge the prices paid by or quoted to the Region for goods, works and/or services unless Council may otherwise direct, except that the total price in the case of public tenders or the total bid price in the case of quotations may be revealed, as well as any prices included in public reports to Committee and Council.<sup>23</sup>

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<sup>22</sup> As amended by By-Law 02-2009 on January 28<sup>th</sup>, 2009

<sup>23</sup> As amended by By-Law 59-2003 on July 9, 2003.

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17.2 Personal purchases

No personal purchase shall be made by the Region for elected members, or any appointed member of a Board or Commission or for Regional Employees, unless specifically authorized by Regional Council.

17.3 Conflict of interest

No employee or elected official shall bid on the sale of goods except those disposed of by public auction and further that no employee working at or having responsibility for sending items to a public auction may bid on items sold at the auction.

17.4 Authority to contract

No employee or elected official shall purchase or offer to purchase on behalf of the Region except as may be provided for in this by-law.

17.5 Splitting requirements

No requirement for goods or services including consulting or professional services shall be divided to avoid the requirements of this by-law and the total project or annual requirement shall be considered.

**18.0 Legislation**

18.1.1 This by-law is subject to any Federal or Provincial legislation and where there is a difference, the subject legislation shall govern.

By-Law read a first time this 18th day of October, 2000

By-Law read a second time this 18th day of October, 2000

By-Law read a third time and finally passed this 18th day of October, 2000

Original signed by    Original signed by

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R. Anderson, Regional Chair

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R. Walton, Regional Clerk/Director of Legislative Services

## Appendix "A" to By-Law 68-2000

### Tendering irregularities

Tender irregularities will be dealt with as specified below:

Irregularity:	Response:
<ul style="list-style-type: none"><li>Late bids</li></ul>	Late bids will not be accepted and will be returned unopened. Bids will be deemed to have been received when the envelope has been stamped with the time and date of receipt by the Clerk.
<ul style="list-style-type: none"><li>Specified tender envelope, or label, not used</li></ul>	Automatic rejection.
<ul style="list-style-type: none"><li>Tender envelope not sealed</li></ul>	Unsealed bids will not be accepted for deposit in the tender box.
<ul style="list-style-type: none"><li>Bids not completed in ink</li></ul>	Automatic rejection.
<ul style="list-style-type: none"><li>Original ink signature missing from signature page</li></ul>	Automatic rejection.
<ul style="list-style-type: none"><li>Qualified bids (bids qualified or restricted by an attached or added statement)</li></ul>	Automatic rejection.
<ul style="list-style-type: none"><li>Bids received on documents other than those provided in the request</li></ul>	Automatic rejection unless allowed for in the request.

Irregularity:	Response:
<ul style="list-style-type: none"> <li>• Bid security<sup>29,33</sup></li> </ul>	
<ul style="list-style-type: none"> <li>• Bonding company missing when</li> <li>• bid bond requested</li> <li>• not provided or not in the form or amount specified</li> <li>• not sufficient</li> </ul>	<p>Automatic rejection.</p> <p>Automatic rejection.</p> <p>Where security is required and amount of security is expressed as a percentage of the total tender sum, automatic rejection unless insufficiency is de minimus (trivial or insignificant).</p> <p>Where security is required and the amount of security is specified in respect, automatic rejection.</p>
<ul style="list-style-type: none"> <li>• Agreement to provide performance securities is not provided or is not in the form specified</li> </ul>	Automatic rejection
<ul style="list-style-type: none"> <li>• Part bids (all items not bid)</li> </ul>	Automatic rejection, unless allowed for in the request.
<ul style="list-style-type: none"> <li>• Bids containing minor clerical errors</li> </ul>	Two working days to correct and initial errors. The Region reserves the right to waive initialing and accept tender.
<ul style="list-style-type: none"> <li>• Uninitialed changes to the bid documents which are minor (e.g. tenderer's address is amended by</li> </ul>	Two working days to correct. The Region reserves the right to waive initialing and accept tender.

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<sup>29,33</sup> As amended by By-Law 23-2012 on April 25, 2012

Irregularity:	Response:
over-writing but not initialed)	
<ul style="list-style-type: none"> <li>Unit prices in the Schedule of Prices have been changed but not initialed</li> </ul>	Two working days to correct. The Region reserves the right to waive initialing and accept tender.
<ul style="list-style-type: none"> <li>Other mathematical errors which are not consistent with unit prices</li> </ul>	Two working days to initial corrections as made by the Region. Unit prices shall govern and the tender will be corrected accordingly. The Region reserves the right to waive initialing and accept tender as corrected.
<ul style="list-style-type: none"> <li>Failure to return the documents as specified</li> </ul>	Where complete documents are specified, automatic rejection.
<ul style="list-style-type: none"> <li>Isolated pages are missing</li> </ul>	Two working days to supply the missing pages where in the opinion of the Region, the missing page(s) would not directly affect the bid submitted. The Region reserves the right to waive the extra pages and accept the tender, or to reject the tender outright.
<ul style="list-style-type: none"> <li>Tender documents which suggest that the tenderer has made a major mistake in calculations or tender</li> </ul>	Decision will be on a case by case basis in consultation with the Legal Department
<ul style="list-style-type: none"> <li>Withdrawal of bids</li> </ul>	Withdrawal of bids received after the closing time will not be allowed
<ul style="list-style-type: none"> <li>Tie bids</li> </ul>	The “designated official” may use one of the following methods of dealing with tied bids,

Irregularity:	Response:
	based upon the specific situation: <ul style="list-style-type: none"><li data-bbox="787 346 1209 430">• Use a coin toss to select a recommended bid</li><li data-bbox="787 451 1388 535">• Request the tied bidders to submit new bids</li><li data-bbox="787 556 1388 661">• Negotiate with the tied bidders to break the tie</li></ul>
<ul style="list-style-type: none"><li data-bbox="203 714 730 798">• Substantial completion date is not as specified</li></ul>	Two working days to clarify the completion date. The Region reserves the right to waive the clarification of the completion date and accept the tender, or to reject the tender outright.

By-Law Number 68-2000 (Amended June 25, 2014)

of the Regional Municipality of Durham

## **Appendix "B" to By-Law 68-2000**

The following items are excluded from the requirements of this By-Law and therefore no quotations, tenders or purchase orders are required:

- 1 Petty cash
- 2 Training and education:
  - a) Conferences, courses, conventions and seminars
  - b) Magazines, books, periodicals
  - c) Memberships
- 3 Refundable employee expenses:
  - a) Advances
  - b) Meal allowances
  - c) Miscellaneous - non-travel
  - d) Travel and entertainment
- 4 Employer's general expenses:
  - a) Payroll deduction remittances
  - b) Medicals
  - c) Licenses (vehicle, firearms, etc.)
  - d) Debenture payments
  - e) Liability and property and other forms of insurance premiums, payments, and adjusting fees
  - f) Grants to agencies
  - g) Employee benefit payments and premiums
  - h) Building lease payments
  - i) Tax remittances
  - j) Regional charges to and from area municipalities
  - k) Sinking fund payments
  - l) Advertising



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- 5 Professional and special services:
  - a) Committee fees
  - b) Counselling services
  - c) Homemakers services
  - d) Laboratory services
  - e) Nursing services
  - f) Payment to social agencies for purchased services
  - g) Funeral homes, doctors, dentists
  - h) Temporary help
  - i) Banking and underwriting services where covered by agreements
  - j) External auditor fees
  - k) Goods and services received by welfare recipients
  - l) Workers compensation payments
  - m) Meter reading services
  - n) Legal services
- 6 Utilities (normal monthly service charges only where competition is not available):
  - a) Postage
  - b) Water
  - c) Hydro
  - d) Gas
  - e) Telephones
- 7 The acquisition of real property.