



Staff Report to Council - for Direction

Title: Purchasing Policy Update

From: Sam Dinsmore, Director of Corporate Services

Date: July 4, 2024

Staff Recommendation:

That the Purchasing Policy be amended to reflect referenced changes; and,

That By-law 2021-033 be repealed.

Report Summary:

On April 1, 2021, By-law Number 2021-033 was adopted to accept the changes to the previous Purchasing Policy. Purchasing Division staff started reviewing the Policy and Procedure in 2023 as a Departmental goal and a requirement of the Policy and made the following recommendations for updating.

Background:

On April 1, 2021, Council enacted By-law 2021-033, in compliance with Section 270 (1) of the Municipal Act, 2001 where a municipality and a local board shall adopt policies with respect to its procurement of goods and services. The County of Bruce deemed it desirable to provide a purchasing policy to ensure fair, transparent, and accountable purchasing.

A review of the policy determined that updates were needed to provide further clarification and to reflect increased costs. Approval is being sought on the following changes shown below as bold text and parentheses:

Reference #	By-law Number 2021-033	Proposed Changes
Through-out Policy document	Committee	(Council)
5.2 Award Approval	The Department Director is authorized to approve the following: An award of a Request for Tender, Quotation or Proposal regardless of the	The Department Director is authorized to approve the following: An award of a Request for Tender, Quotation or

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	size of the expenditure, provided that the award is to the lowest bidder and the expenditure is included in the approved budget.	Proposal regardless of the size of the expenditure, provided that the award is to the lowest bidder, (or the highest ranked proposal) and the expenditure is included in the approved budget.
6.1 Responsibilities of All Staff Involved in the Procurement Process	c. Ensure procurement activities are carried out in accordance with this By-Law 2024-XXX Purchasing Policy.	Ensure procurement activities are carried out in accordance with this (approved) By-law Purchasing Policy.
6.2 Responsibilities of the Purchasing Manager or Delegate	g. Direct staff that have procurement authority to <i>By-Law 2024-XXX Purchasing Policy</i> and <i>The Corporation of the County of Bruce Purchasing Procedures</i> and train staff as required to ensure a clear understanding of the procurement process.	Direct staff that have procurement authority to the (approved) Purchasing Policy <i>By-Law (2024-XXX Purchasing Policy and The Corporation of the County of Bruce)</i> and Purchasing Procedures and train staff as required to ensure a clear understanding of the procurement process.
7.0 Procurement Methods	\$0 - <\$25,000 Direct Purchase (increase due to CPI increase)	\$0 - <(\$30,000) Direct Purchase
7.1.1. Single and Sole Sourcing	Sole Sourcing: not recognized by a number	(7.1.2) Sole Sourcing
7.3 h. Negotiation	When a department desires to purchase a piece of used equipment, a complete description such as model, year, and condition, must be forwarded to the Purchasing	When a department desires to purchase a piece of used equipment, a complete description such as model, year, and condition, must be forwarded to the

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	<p>Department. With this information a justifiable bid can be determined for the item requested.</p> <p>Additionally, the Purchasing Department may purchase used equipment or other material by negotiated purchase rather than by competitive bidding, if it is determined by the Purchasing Department that the negotiated price is reasonable for the intended use.</p>	<p>Purchasing Department. With this information a justifiable bid can be determined for the item requested. Additionally, the Purchasing Department may purchase used equipment or other material by negotiated purchase rather than by competitive bidding, if it is determined by the Purchasing Department that the negotiated price is reasonable for the intended use.</p> <p>(To ensure proper control, quotes for such equipment must be made.)</p>
7.3 i. Negotiation	To ensure proper control, formal bids for such equipment must be made by the Purchasing Department.	(Rent to own costs of used equipment must be taken into consideration of the total cost.)
7.3 j. Negotiation	Newly added (due to examples from COVID)	(In a current contract where, extraordinary circumstances cause market conditions to significantly increase the provider's cost to perform or supply goods, the Purchasing Manager and Director have the authority to negotiate pricing to avoid contract cancellation while ensuring it is still within budget.)

Reference #	By-law Number 2021-033	Proposed Changes
8.3 Professional and Special Services	(v) Legal Fees	Legal (Services)
8.3 Professional and Special Services	(viii) Newly added	Recruitment Agencies
9.0 Bid Irregularities	<p>Failure to include signature of the person authorized to bind the bidder in the space provided on the Tender/Proposal Form.</p> <p>Automatic Rejection</p>	<p>Failure to include signature of the person authorized to bind the bidder in the space provided on the Tender/Proposal Form.</p> <p>48 hours to submit</p>
13.0 Green Procurement	Newly added	Through acquisitions, staff are encouraged to seek ways of enhancing environmental sustainability by incorporating green procurement requirements where possible, practical, and feasible.
11.0 Disposal of Surplus Goods and Real Property	The disposal of surplus and obsolete goods shall be evaluated on a case-by-case basis. The originating Director or delegate has the authority to sell, exchange, or otherwise dispose of goods declared as surplus to the needs of the County, where it is cost effective and in the best interest of the County to do so. Refer to Disposal of Surplus Goods and Real Property in the Purchasing Procedures.	The disposal of surplus and obsolete goods shall be evaluated on a case-by-case basis. The originating Director or delegate has the authority (to declare items as surplus and work with Purchasing Division to sell, exchange, or otherwise dispose of goods,) where it is cost effective and in the best interest of the County to do so. (Refer to Disposal of Surplus Goods and Real Property in the Purchasing Procedures.)

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Appendix A	Director and/or Chief Administrative officer	Director or Chief Administrative Officer or Deputy Chief Administrative Officer

Financial/Staffing/Legal/IT Considerations:

There are no financial, staffing, legal or IT considerations associated with this report.

Interdepartmental Consultation:

The Purchasing Policy and Procedure changes were presented to Senior Management Team and comments have been reflected in this update.

Link to Strategic Goals and Objectives:

Growth and Innovation - Promote responsible growth

Link to Departmental Plan Goals and Objectives, if any:

Corporate Services Departmental Project Initiatives

Report Author:

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Departmental Approval:

Sam Dinsmore, Director of Corporate Services

Approved for Submission:

Sean Morphy, Deputy Chief Administrative Officer