



## By-law 2026-53

A by-law to establish procurement, service and disposal regulations and policies

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**NOW THEREFORE THE COUNCIL OF THE CITY OF MARKHAM  
ENACTS AS FOLLOWS:**

**PART I: GENERAL**

**PURPOSE**

The purpose of this By-law is to establish policies and regulations respecting the City's procurement activities, administrative procedures and approval authorities, including the award and execution of Contracts.

**1. Definitions**

1.1 In this By-law,

“Administrative Procedures” means the procedures established to carry out the requirements of this By-law;

“Bid” means the offer of a Bidder to furnish goods or services in response to a call for bids issued by the City and includes a Request for Quotation, Request for Tender and Request for Proposal;

“Bidder” means any individual, corporation or other person submitting a response to a Quotation issued by the City.

“Bid Price” means the total price for the Work as specified in the Bid, excluding all applicable taxes;

“Bidding System” means the City’s online, web-based solution for issuing Quotations and/or receiving online Bid submissions and posting Bid results;

“Blanket Purchase Order” refers to a contract between the City and a Vendor to facilitate the procurement of repetitively used goods and services for a specified term;

“CAO” means the Chief Administrative Officer of The Corporation of the City of Markham, or Designate;

“City” means The Corporation of the City of Markham;

“Closing Time” means the date and time that all Bids must be received by the City as specified in the Quotation;

“Commissioner” means a person appointed by Council with administrative responsibilities for a group of City Departments;

“Conflict of Interest” refers to a situation in which private interests or personal considerations may affect the judgment of City staff, Councillors, or Vendors in acting in the best interest of the City. It includes, but is not limited to, using a City position, confidential information or corporate time, material, or facilities for private gain or advancement, or the expectation of private gain or advancement. A conflict may occur when an interest benefits the family, friends, or business associates of City staff, Councillors, or Vendors;

“Consulting and Professional Services” means a service provided by architects, landscape architects, engineers, designers, urban designers, surveyors, planners, management and financial consultants, brokers, lawyers, and education and training and any other consulting and professional services rendered on behalf of the City;

“Contract” means a legal agreement the City and a Vendor for the supply of goods and/or services, evidenced by an agreement executed by the City and the Vendor or a Purchase Order issued to the Vendor by the City (as determined by the City).

“Contract Award” means the notice in writing, issued by the City, that a Bidder has been selected as the Successful Bidder for the purposes of a Quotation;

“Contract Extension” means the extension of the term of an existing Contract originally awarded through a competitive or non-competitive process for the purchase of goods or services;

“Cooperative Procurement” means the participation of two or more public agencies in a Quotation;

“Council” means the Council of The Corporation of the City of Markham;

“Designate” means the City staff member who may be appointed to act on behalf of an authority named in this By-law;

“Director” means a person holding a management position of Director within a department and includes the Treasurer, Fire Chief, Deputy Fire Chief, City Solicitor, Deputy City Solicitor, City Clerk, City Architect and Chief Information Officer (CIO), and any other title approved by People Services as a staff position equivalent to that of a Director;

“Disqualified Vendor” means any Vendor that has been disqualified from participation in any Quotation process or providing goods and services to the City on the basis of documented poor performance, non-performance, Conflict of Interest, or failure to accept a Contract Award;

“Electronic Bidding” means a method of issuing Quotations and/or receiving Bids where the process of issuing and/or receiving Bids by facsimile, email or internet is considered appropriate by the Procurement Department;

“Emergency” means a situation where the immediate purchase of goods or services is essential to prevent serious delays, damage or injury, to restore minimum service or to ensure the health and safety of any person, including City staff or residents of the City of Markham;

“Expression of Interest” means a focused market research tool used to determine Vendor interest in a proposed procurement, where the scope or specifications of the required goods or services may not be clearly defined.

“General Committee” means the finance Standing Committee of Council and any other name given to this committee;

“Manager of Procurement” means the Manager authorized by Council to act as agent for the City in accordance with the provisions of this By-law, or Designate;

“Non-Competitive Procurement” has the meaning set out Part II, Section 11;

“Personal Property” means any property not within the definition of Real Property;

“Purchase Order” means the City’s written document issued to a Vendor formalizing the purchase and supply of the goods and/or services identified on the Purchase Order;

“Quotation” means a Request for Tender, a Request for Quotation, a Request for Proposal, or Expression of Interest or any other document by which Bids are solicited by the City;

“Real Property” includes lands, buildings, tenements and any interest, estate or right or easement affecting same;

“Request for Expression of Interest” means a focused market research tool used to determine Vendor interest in a proposed procurement, where the scope or specifications of the required goods or services may not be clearly defined;

“Request for Information” means a request by the City to gather general vendor, service or product information. It is a procurement procedure where Bidders are provided with general or a preliminary description of a problem or requirement and Bidders are requested to provide information or advice on how to define the problem or need, or alternative solutions for the purpose of better planning the technical specification requirements for a future solicitation;

“Request for Pre-qualification” means a solicitation by the City for details on Vendor backgrounds, capabilities and resources, and the goods or services they are offering. Such information shall be used to pre-qualify Vendors to be invited to submit Bids or be included on a roster for future Quotations;

“Request for Proposal” means a request by the City to provide goods or services, when the goods or services cannot be clearly specified or are non-standard in nature, where alternatives to detailed specifications will be considered, or where the evaluation of criteria in addition to price is required by the City;

“Request for Quotation” means a request by the City for prices on specific goods or services from selected Vendors;

“Request for Tender” means a request by the City to provide clearly specified goods or services;

“Successful Bidder” means the Bidder which has been awarded the Contract by the City for the Work;

“Trade Agreements” means the Canadian Free Trade Agreement (CFTA), Trade and Cooperation Agreement between Ontario and Quebec (OQTCA), Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union and such further and other trade agreements that apply to municipal procurement.

“Treasurer” means the Council appointed Treasurer of The Corporation of the City of Markham, or Designate;

“Unsolicited Proposal” means a written proposal submitted to the City on the initiative of a Vendor, for the purpose of obtaining a Contract with the City for the supply of goods and/or services;

“User Department” means a department within the City requiring goods and/or services to be purchased;

“Vendor” means any individual, corporation or other person interested in supplying goods and/or services to the City, or with whom the City has entered into a Contract for the supply of goods and/or services.

“Work” means the labour, materials, products, equipment and/or services specified in the Quotation and, upon Contract Award, required to complete the requirements of the Contract.

## 2. City Procurement Principles

- 2.1 The procurement principles of the City shall be as follows:
- (a) To operate a centralized procurement program to acquire, rent or lease the quality and quantity of goods and services required in the most cost effective and efficient manner;
  - (b) To encourage open competitive bidding on the acquisition and disposal of all goods and services, where practical and appropriate;
  - (c) To consider total acquisition costs, including quality, service, operating, training and maintenance costs, warranty, payment terms, disposal value, disposal costs, and availability, rather than only the lowest tendered purchase price received;
  - (d) To ensure the efficient and timely delivery of goods and services.
- 2.2 The Code of Purchasing Ethics published by the National Institute of Governing Purchasing Inc. and Supply Chain Canada shall apply to all City staff involved in the procurement and disposal of goods and services.
- 2.3 When procuring goods and services, the City shall have regard to the environmental initiatives outlined by the "Building Markham's Future Together" (BMFT) strategy plan as approved by Council.
- 2.4 The City of Markham Accessibility Plan focuses on accessibility issues and the development of strategic actions to remove, where possible, and prevent barriers to access for people with disabilities. *The Ontarians with Disabilities Act*, S.O. 2001, c. 32 and the City of Markham Accessibility Plan require that, when procuring goods and/or services, the City shall have regard to the accessibility for persons with disabilities to the goods and services and abide by the principles of the *Accessibility for Ontarians with Disabilities Act*, 2005.
- 2.5 When procuring goods and services, the City shall have regard to the *Discriminatory Business Practices Act*, R.S.O. 1990, c. D.12, which has been established to prevent discrimination in Ontario on the ground of race, creed, colour, nationality, ancestry, place of origin, sex, or geographical location of persons employed or engaging in business.
- 2.6 When procuring goods and/or services, the City shall have regard to all applicable Trade Agreements.
- 2.7 Bids submitted in response to a Quotation issued by the City are subject to the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56.

## 3. General Conditions

- 3.1 The Manager of Procurement, in consultation with the Director of the User Department, may place a Vendor's name on a list of Disqualified Vendors for a period of two (2) years on the basis of documented poor performance, non-performance, Conflict of Interest or failure to accept a Contract Award. This information may be obtained from within the City or through reference checks.

A written notice of the decision will be provided to the Vendor by the Procurement Department. From and after the delivery of such notice, the Disqualified Vendor shall not be eligible to respond to any Quotation and shall not be eligible to provide goods or services to the City for so long as the Vendor remains on the list of Disqualified Vendor.

After the two (2) year period referred to above, Disqualified Vendors,

who are otherwise in good standing with the City and eligible as Bidders, may request that their name be removed from the list. Removal of names from the list will be at the sole discretion of the Manger of Procurement in consultation with the Director of the User Department.

- 3.2 Where practical when procuring goods and services, specifications or scope of work should be included in the Quotation that are detailed but not brand specific to leave room for Bidders to provide alternatives in the event an equal or better product or method is available.
- 3.3 Notwithstanding Part I, Section 3.2, the City will, whenever possible, standardize the procurement of goods and services to permit:
  - (a) reduced number of goods and services required;
  - (b) economies of scale;
  - (c) reduced handling, training and storage costs;
  - (d) minimized maintenance costs;
  - (e) cooperative procurement activities; or
  - (f) reduced overall cost.
- 3.4 At the discretion of the Manager of Procurement and the Director of the User Department, invitations to Requests for Tenders, Requests for Proposals, Requests for Pre-qualification and Requests for Expressions of Interest may be sent to potential Bidders to ensure the best possible response.
- 3.5 When, in the opinion of the Manager of Procurement, it would be in the best interests of the City, the City may participate with other levels of government or their agencies, or other public authorities in Cooperative Procurement.
- 3.6 Vendors shall not be requested to expend time, money or effort on design or in developing specifications or otherwise to help define a requirement beyond the normal level of service expected from a Vendor. When such services are required:
  - (a) the Procurement Department must be advised;
  - (b) the Vendor will be considered a consultant and will not be permitted to make an offer for the supply of the goods and services, unless the Manager of Procurement and the Director of the User Department determine that it is in the best interests of the City to permit the Vendor to respond;
  - (c) a fee shall be paid; and
  - (d) the detailed specification shall become the property of the City of Markham and can be used to obtain competitive Bids.
- 3.7 Despite any term or condition to the contrary in a Quotation, the City reserves the right to require a Successful Bidder to enter into a Contract in a form satisfactory to the City Solicitor.
- 3.8 No Contract or purchase shall be divided into one or more contracts or purchases to avoid the requirements of this By-law.
- 3.9 No goods shall be received or services commenced without the use of a Corporate Procurement Card (P-Card), or Purchase Order or other Contract.
- 3.10 Where a series of Contracts which pertain to the same subject matter with the same Contractor in any twelve (12) month period combine to equal any of the monetary limits referred to in the section "Contract Award Approval Authority", the series of Contracts shall be deemed to be a single Contract for the purpose of this By-law.

- 3.11 Routine and repetitive goods and services will be combined and a Blanket Purchase Order issued according to the thresholds of the Contract Award Authority.
- 3.12 The Commissioner for the User Department, together with the Director of People Services, shall have delegated authority to execute Contracts that pertain to the hiring of full time or part time City staff.
- 3.13 This By-law does not apply to the sale, acquisition or disposal of Real Property.
- 3.14 This By-law does not apply to the procurement of legal services.
- 3.15 No City staff or member of Council shall purchase or offer to purchase, on behalf of the City, any goods or services except in accordance with this By-law.
- 3.16 Where the City is pursuing a claim against a Vendor in contract, tort or negligence or where a Vendor is pursuing a similar claim against the City, the Vendor shall not be eligible to respond to any Quotation, unless the Commissioner of the User Department and Manager of Procurement determines that it is in the best interests of the City to permit the Vendor to respond.
- 3.17 It is mandatory for City staff and Council members to disclose to the City any Conflict of Interest relating to family members/relatives who may provide goods or services to the City. Reference shall be made to the City's "Code of Ethics and Conduct Policy" (as amended).

#### **4. Administrative Procedures**

- 4.1 The Procurement Department (and City staff authorized by procedures approved in accordance with Section 4.3 below) shall have the authority to issue Purchase Orders for goods and services, provided that proper authorization has been obtained in accordance with this By-law, including the "Contract Award Approval Authority" set out in Appendix A. Where such Purchase Order does not form part of the Contract, it shall so state and may be used for internal control purposes only.
- 4.2 It is the responsibility of all City staff to ensure that all requirements of this By-law are complied with.
- 4.3 The Treasurer and Manager of Procurement shall have the authority to approve additional procedures to implement this By-law, including forms and Procurement Department templates and policies.
- 4.4 No City staff, or member of Council may submit a Bid in response to a Quotation issued by the City or sell or provide goods or services to the City outside of their employment with the City.
- 4.5 No purchases for personal use or consumption shall be made by the City for members of Council or for City staff, except through programs which may, from time to time, be approved by Council.

### **PART II: METHODS OF PROCUREMENT**

#### **5. Request for Tenders (\$133,800 or greater)**

- 5.1 Unless Bidders have been pre-qualified, all Request for Tenders for goods and services over \$133,800,000 in value will be advertised in a newspaper of general circulation or by electronic media or both.
- 5.2 All Request for Tenders for goods and/or services shall be issued by the Procurement Department through the Bidding System. If

Bids are submitted through the Bidding System, unofficial results of Bids will be published through the Bidding System.

- 5.3 All Bids will be analyzed and tabulated by the Procurement Department and the User Department, and the results may be submitted to the User Department for further analysis. Contract Awards are generally made to the lowest priced, compliant Bidder.
- 5.4 The City reserves the right not to accept the lowest or any Bid submitted, if such action is deemed to be in the best interests of the City.
- 5.5 The City shall not be required to award a Contract:
  - (a) where only one Bid has been received as a result of a Request for Tender;
  - (b) where the lowest, compliant Bid exceeds the budget or estimated cost of the goods or services; or
  - (c) when all Bids received fail to comply with the mandatory requirements of the Request for Tender.
- 5.6 Where two or more compliant, identical lowest priced Bids have been received, the City shall determine the Successful Bidder by a coin toss conducted by the Manager of Procurement or Designate.
- 5.7 The City reserves the right to amend specifications and/or terms included in a Request for Tender up to the Closing Time.

**6. Requests for Proposals (\$133,800 or greater)**

- 6.1 Unless Bidders have been pre-qualified, all Requests for Proposals for goods and services over \$133,800 in value shall be advertised in a newspaper of general circulation or by electronic media or both.
- 6.2 Requests for Proposals may be called, instead of Request for Tenders, when the goods or services cannot be clearly specified or are non-standard in nature, where alternatives to detailed specifications will be considered, or where the evaluation of criteria in addition to price is required.
- 6.3 Bids to be submitted through the Bidding System, Bidder names will be published through the Bidding System.
- 6.4 Bids shall be evaluated by the Procurement Department and User Department based on predetermined criteria. The criteria shall be determined by the User Department and the Procurement Department prior to the issuance of the Quotation. The criteria may include, but are not limited to, product offering, past performance, quality of work or service, experience, reference checks and financial viability. Contract Awards are generally made to the highest ranking, compliant Bidder.

**7. Request for Quotations (between \$10,000 and \$50,000)**

- 7.1 The City may issue Requests for Quotations for the acquisition of goods and services estimated between \$10,000 and \$50,000 in value.
- 7.2 The User Department shall solicit Vendors and obtain a minimum of three (3) written quotations. Quotations will be received, opened, recorded and filed by the User Department. Awards will be made after analysis of the Bids by the User Department. A Purchase Order is required to complete any such transaction.
- 7.3 Notwithstanding the requirement in Section 7.2 above for a minimum of three (3) quotations, where the value of Consulting and Professional Services is estimated to be less than \$50,000, the appropriate Manager or Director of the User Department may award a Contract for the services with only a requirement to obtain one (1) quotation.

**8. Request for Quotations (between \$50,000 and \$133,800)**

- 8.1 The City may issue Requests for Quotations for the acquisition of goods and services estimated between \$50,000 and \$133,800 in value.
- 8.2 The User Department shall provide the Procurement Department with a request containing the relevant specifications and approval authority by a Goods and Service Order or electronic requisition.
- 8.3 The Procurement Department, with input from the User Department, shall solicit Vendors and obtain a minimum of three (3) written Bids. Bids will be received, opened, recorded and filed by the Procurement Department. Contract Awards will be made after analysis of the Bids by the Procurement Department and the User Department.

**9. Expression of Interest**

- 9.1 All Expressions of Interest for the City shall be advertised in a newspaper of general circulation, or by electronic media, or by solicitation.
- 9.2 As a result of responses to Expressions of Interest, the City may redefine the required product or service or compile a list of pre-qualified Vendors according to criteria that may include, but are not limited to, product offering, past performance, quality of work or service, reference checks and financial viability.
- 9.3 Proposals shall be reviewed by the Procurement Department and the User Department.
- 9.4 Based on responses received from the Expression of Interest, the City shall consider three (3) options.  
Option 1 is to take no further action.  
Option 2 is to issue a Quotation and invite the Expression of Interest respondents to submit a Bid to the City. Evaluation will be based on pre-established criteria included in the Quotation.  
Option 3 is to negotiate with one preferred Expression of Interest respondent to establish a Contract for this project. If such negotiations do not lead to a Contract, the City may proceed with negotiations with another Expression of Interest respondent or issue a Quotation as per Option 2.

**10. Request for Pre-qualification**

- 10.1 A Request for Pre-qualification is used to ascertain qualified Vendors who may be interested in submitting a Bid for the supply of goods or services.
- 10.2 The City may compile a list of qualified Vendors whenever it is desirable to pre-qualify Vendors according to established criteria. The criteria may include, but are not limited to, product offering, past performance, quality of work or service, reference checks and financial viability.
- 10.3 In order to compile a list of qualified Vendors, the Procurement Department, with input from the User Department, shall invite Vendors to apply for inclusion in such list by advertisement in a newspaper of general circulation or by electronic media or both.
- 10.4 Submissions shall be reviewed by the Procurement Department and the User Department in accordance with established criteria, and a list of qualified Vendors is then compiled.

- 10.5 The list of pre-qualified Vendors may be used for one particular purchase or be included on a roster to be used for future purchases. If the Request for Pre-qualification is created with the intent of creating a roster it must be clearly stated in the Request for Pre-qualification.
- 10.6 Where a pre-qualification process is being recommended, approval by the Director of the User Department is required before proceeding.
- 10.7 The Procurement Department shall review the roster of pre-qualified Vendors every two (2) years for continued eligibility, unless otherwise stated in the Request for Pre-qualification.
- 10.8 Vendors wishing to be included on an existing roster may issue a proposal to the Procurement Department. The submission shall be reviewed by the Procurement Department and User Department using the same criteria used in the original Request for Pre-qualification.

## 11. Non-Competitive Procurement

- 11.1 When any of the following conditions apply, the Treasurer and/or the Manager of Procurement may, in consultation with the Director of the User Department, negotiate a Contract for the supply of goods and/or services without a competitive process, which shall be submitted to the applicable Director, Commissioner or the CAO for approval. Final approval shall be in accordance with the "Non-Competitive Contract Award Approval Authority" outlined below:

### Non-Competitive Contract Award Approval Authority

<u>Contract Award Amount</u>	<u>Approval Authority</u>
>\$10k and <\$50k	Director
>\$50k and <\$100k	Commissioner
>\$100,000 - \$350,000	CAO
>\$350k	Council

- (a) when the Manager of Procurement and the Director of the User Department determine that goods are in short supply due to market conditions;
  - (b) where there is only one source of supply for the goods to be purchased;
  - (c) when the extension of an existing Contract would prove more cost-effective or beneficial;
  - (d) where a project is privately funded but is administered by the City;
  - (e) where the City is acquiring specialized vehicles or equipment, such as firefighting vehicles or equipment or buses, in which case the sources of supply may be identified based on technical specifications prepared by the User Department. The Manager of Procurement may negotiate purchases based on such specifications in consultation with the User Department;
  - (f) where, for any reason, a Quotation issued by the City does not result in a successful Contract Award;
  - (g) where it is in the City's best interest not to solicit a competitive Bid;
  - (h) where it is necessary or in the best interests of the City to acquire non-standard items or Consulting and Professional Services from a preferred Vendor or from a Vendor who has a proven track record with the City in terms of pricing, quality and service.
- 11.2 Request for Tenders, Requests for Proposals and Requests for Quotations may not be required for goods and services to be provided by any of the following:
    - (a) Hydro Electric Corporations;
    - (b) Utilities;
    - (c) Provincial and federal government ministries,

- agencies or Crown corporations;
- (d) Municipalities or special purpose bodies within the City when similar goods or services are not available from any other source;
- (e) Toronto and Region Conservation Authority (TRCA) and,
- (f) Ontario One Call

Final approval shall be in accordance with the “Non-Competitive Contract Award Approval Authority” outlined below:

Non-Competitive Contract Award Approval Authority

<u>Contract Award Amount</u>	<u>Approval Authority</u>
>\$10k and <\$350k	Director or above (a & f noted above)
>\$350k	Council (a – f noted above)

- 11.3 Notwithstanding any other provision of this By-law, the following provisions shall apply in case of an emergency:
- (a) wherever feasible, the Manager of Procurement, upon the recommendation of the Director of the User Department, shall secure by the most open procedure at the lowest obtainable price and consistent with service requirements, any goods or services required up to the amount of \$350,000;
  - (b) in the absence of the Manager of Procurement, the Commissioner and Director of the User Department may purchase goods and services and obtain a Purchase Order number from the Procurement Department the following business day;
  - (c) when an emergency purchase has been made and the amount of the purchase exceeds \$50,000 but is less than \$350,000, the Treasurer and the applicable Commissioner and the CAO shall be advised forthwith in writing by the User Department;
  - (d) any emergency procurement of goods and services with a value over \$350,000 shall be pre-approved by the CAO;
  - (e) if an Emergency Purchase has been made and the amount of the purchase exceeds \$350,000, a written report shall be submitted by the Director of the User Department to the next meeting of General Committee, explaining the action taken and reason(s) therefore;

**PART III: CONTRACT AWARD APPROVAL AUTHORITY**

For the purpose of this section, a Contract shall be defined as any contract or agreement expressed in writing, including a Purchase Order or a contract arising out of the acceptance of a Bid.

**12. Amount not exceeding \$133,800**

- (a) Amount less than \$10,000

Purchase Orders or corporate purchase cards may be used by Departments for purchases of goods and services with a value of less than \$10,000. The procurement of goods and services under \$10,000 may be made without the use of a competitive process. Where the amount of the Contract contains a maximum upset limit of \$10,000 or less, the Contract Award shall be approved by User Department staff (as authorized by the Commissioner), as per the “Contract Award Approval Authority” set out in Appendix A.

- (b) \$10,000 or greater, but less than \$50,000

A Purchase Order shall be used to complete such transactions. If the User Department originates the quotation process, that Department is responsible for keeping the quotes on file. Where the amount of the Contract contains a maximum upset limit of \$50,000 or less, the Contract Award shall be approved by the Manager of the User Department, as per the “Contract Award Approval Authority” set out in Appendix A.

- (c) \$50,000 or greater, but less than \$133,800

A Purchase Order shall be used to complete such transactions. Where the amount of the Contract contains a maximum upset limit of \$133,800 or less, the Contract Award shall be approved by the Director of the User Department or above, as per the "Contract Award Approval Authority" set out in Appendix A.

**13. \$133,800 or greater, but less than \$350,000**

- (a) Where the amount of the Contract contains a maximum upset limit between \$133,800 and \$350,000, the Contract Award shall be approved by the Director of the User Department or above, as per the "Contract Award Approval Authority" set out in Appendix A.

- (b) Contract Award reports shall be completed and properly authorized and kept on file within the Procurement Department. Procurement Department staff will issue a Purchase Order upon receipt of the approved Contract Award. The Procurement Department shall be responsible for issuing all letters of Contract Award.

**14. \$350,000 or greater**

Where the amount of the Contract contains a maximum upset limit of \$350,000 or more, the Contract Award shall be approved by the Commissioner, the CAO or Council, as per the "Contract Award Approval Authority" set out in Appendix A.

**15. Reporting Requirements**

The Treasurer, on a quarterly basis, shall advise the General Committee of all Contract Awards awarded by City staff that are greater than \$50,000.

**16. Miscellaneous**

- (a) All procurement activities shall be governed by the "Expenditure Control Policy", as amended from time to time.
- (b) Contract Award Process – Election Year and/or Recess Periods for Council recess periods during any period of more than twenty-one (21) days in which there is no scheduled Council meeting, the CAO and Treasurer shall have the authority to award Contracts that cannot, in the opinion of the CAO, be delayed until the next regular meetings of the General Committee and Council. A written report shall be submitted by the Treasurer at the next meeting of the General Committee detailing all Contract Awards made during any recess period.
- (c) A summary of the Contract Award approval authority, Quotation types and the responsibility for issuing Quotations for various Contract values can be found in Appendix A, "Contract Award Approval Authority".

**PART IV: DEPOSIT REQUIREMENT**

- 17. If required by the Quotation, Bidders shall provide a Bid deposit by submitting certified cheque, letter of credit, or a Bid bond in the form and amount as set out in the Quotation.
- 18. Bid deposits will be held by Procurement to ensure that the Bidder will enter into a formal Contract with the City and, when the Bidder does so, the Bid deposit may be picked up by the Bidder or returned by registered mail. The Bid deposit of all Bidders, except those of the two (2) lowest priced or highest ranked Bidders (as applicable), will be returned within fifteen (15) business days after the Bid opening date. The Bid deposits of the two (2) lowest priced or highest ranked Bidders (as applicable) will be returned within ten (10) business days after the Contract Award, unless the User Department or the Procurement Department advises that the Bid

deposit will be retained for a longer period of time.

If Bids are submitted through the Bidding System, Bidders should refer to the e-bonding information on the Surety Association of Canada's website, including an industry checklist which digital bonds provided should meet. All digital Bid bonds must be authenticated. If the digital Bid bond submitted does not pass the City's verification process, the Bidder will be given five (5) business days to remedy the verification to the City's satisfaction, or the Bid shall be rejected.

#### **PART V: DISPOSAL OF PERSONAL PROPERTY**

19. Any personal property belonging to the City and declared surplus by the Director of the User Department shall be disposed of only by means of public auction, Quotation, or donation after approval has been received from the Treasurer, provided that any usable equipment or material has first been offered to other City Departments.
20. The sale of any personal property by Quotation shall be carried out by the Manager of Procurement in consultation with the Director of the User Department. Where it is estimated that the value of the personal property exceeds \$133,800, a report recommending the sale shall be submitted to General Committee and Council for approval.
21. If it is determined that a higher return, net of disposal costs, can be achieved by sale of obsolete or surplus goods to the original Vendor or Vendors in that line of business, the Manager of Procurement shall sell such goods at the highest return after first obtaining the approval of the Treasurer.
22. A reserve price may be established, and:
  - (a) in case of disposal by Quotation, such reserve price shall be published and disclosed at Bid opening or published through the Bidding System;
  - (b) in the case of public auction or quotation, such reserve price shall be used as an internal estimate and not disclosed.
23. No City staff or member of Council shall bid on the sale of goods except those sold by public auction.
24. No City staff working at an auction of City property, or having responsibility for sending items to such auction, may bid on any items at such auction.
25. Where personal property has been declared surplus by the User Department and has been offered to other User Departments without acceptance and the Commissioner of the User Department proposes to donate the items to a community interest or not-for-profit organization, approval shall be obtained from the Treasurer prior to such donation.

#### **PART VI: GENERAL**

26. This By-law shall be reviewed every five (5) years to evaluate its effectiveness, or such other period determined by the Manager of Procurement.

#### **Interpretation**

27. 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.
28. A word interpreted in the singular number has a corresponding meaning when used in the plural.
29. In the absence of, or where authorized by, the Manager of Procurement, a buyer appointed in the Procurement Department shall act as the authorized

Designate.

30. The Treasurer or Designate may assume, at any time, any of the authorities, responsibilities and duties imposed upon the Manager of Procurement under this By-law.
31. The responsibility of any City staff referred to in this By-law may be temporarily assumed by their Designate.

**PART VII: CONTRACT AWARD APPROVAL AUTHORITY - WITHIN CRITERIA**

32. The following criteria must be met to approve Contract Awards in accordance with the “Contract Award Approval Authority – Within Criteria” set out in Appendix A:
  - (a) The Contract Award is to the lowest priced, compliant Bidder for Request for Quotations and Request for Tenders, or to the highest ranked, compliant Bidder for Request for Proposals.
  - (b) The expenses relating to the goods/ services being procured are included in the budget (Operating/Capital).
  - (c) The Contract Award is within the approved budget.

**PART VIII: CONTRACT TERMINATION APPROVAL AUTHORITY**

33. Contracts awarded by the City may be terminated by the Procurement Department at the request of the User Department for the non-performance or non-satisfactory performance of a Vendor or for any other reason deemed to be in the best interests of the City.

The Procurement Department shall first consult with the Legal Department before terminating the Contract. The final approval authority to terminate the Contract shall be as follows:

<u>Contract Award Amount</u>	<u>Contract Termination Authority</u>
>\$10,000 - <\$350,000	Director or above
>\$350k	CAO

**PART IX: CONTRACT EXECUTION AUTHORITY**

34. The Director, Commissioner, CAO or the Manager of Procurement shall have the delegated authority to execute Contracts arising out of Contract Awards, approved in accordance with the provisions of this By-law.

The Mayor and Clerk shall have the delegated authority to execute Contracts arising out of Contract Awards, approved in accordance with the provisions of this By-law and which were approved by Council.

**PART X: UNSOLICITED PROPOSALS**

35. All Unsolicited Proposals received by the City shall be directed to the Manager of Procurement, who will act as the sole point of contact for Vendors.

The City’s “Unsolicited Proposals Policy” (as amended) shall apply to all Unsolicited Proposals received by the City, by its staff and/or elected officials.

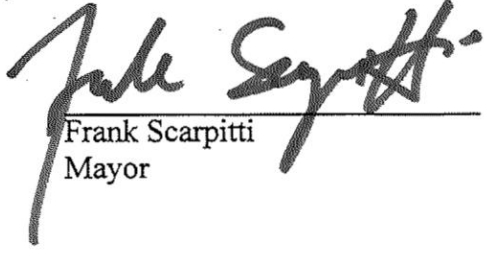
**Repeal**

36. City of Markham By-law No 2017-8, as amended, is hereby repealed in its entirety.



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Kimberley Kitteringham  
City Clerk



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Frank Scarpitti  
Mayor

**APPENDIX A: CONTRACT AWARD APPROVAL AUTHORITY**

<b>Dollar Threshold</b>	<b>Quotation Type</b>	<b>Quotation issued by</b>	<b>Approval Authority - Within Criteria</b>	<b>Approval Authority - Outside Criteria</b>
<\$10,000	No formal Quotation required	User Department	Authorized employee with signing authority	Authorized employee with signing authority
\$10,00 or greater, but less than \$50,000	Request for Quotation	User Department or Procurement Department	Manager or above	Manager or above
\$50,000 or greater but less than \$133,800	Request for Quotation	Procurement Department	Director or above	Director or above
\$133,800 or greater, but less than \$350,000	Request for Tender / Request for Proposal	Procurement Department	Director or above	Commissioner or CAO
\$350,000 or greater	Request for Tender / Request for Proposal	Procurement Department	Commissioner or CAO	Council

**Reference should be made to Part II, Section 11 for the purposes of “Non-Competitive Contract Award Approval Authority”.**