



# Summary of Procurement By-Law 1043 Centralized Procurement



# Mission Statement



The Town of Essex is committed to providing services, facilities and infrastructure to help improve the economic, social and environmental well-being of our communities, and to deliver an outstanding life experience for present and future residents, business and visitors.



# Function of Procurement By-Law 1043



To provide guidelines for buying goods and services effectively and efficiently in a Fair, Non-Discriminatory and Transparent Process with clear explanation of the responsibilities and authorities of the involved parties, and consideration to:

- Environmental Impact
- Economic and Financial Impact
- Social Impact

# Fundamental Principles



To provide the Town of Essex with the goods and services:

- in the right Quality
- at the right Price
- in the right Quantity
- at the right Time
- from the right Source
- at the right Place
- at the low Risk



# Ontario Trade Commitments



## Two Domestic Trade Agreements:

- Canadian Free Trade Agreement (CFTA)
- Ontario-Quebec Trade and Cooperation (OQTCA), a comprehensive bi-lateral agreement with the province of Quebec (**aligns with CFTA**)

## One International Trade Agreement:

- The Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA)

# Price Summary



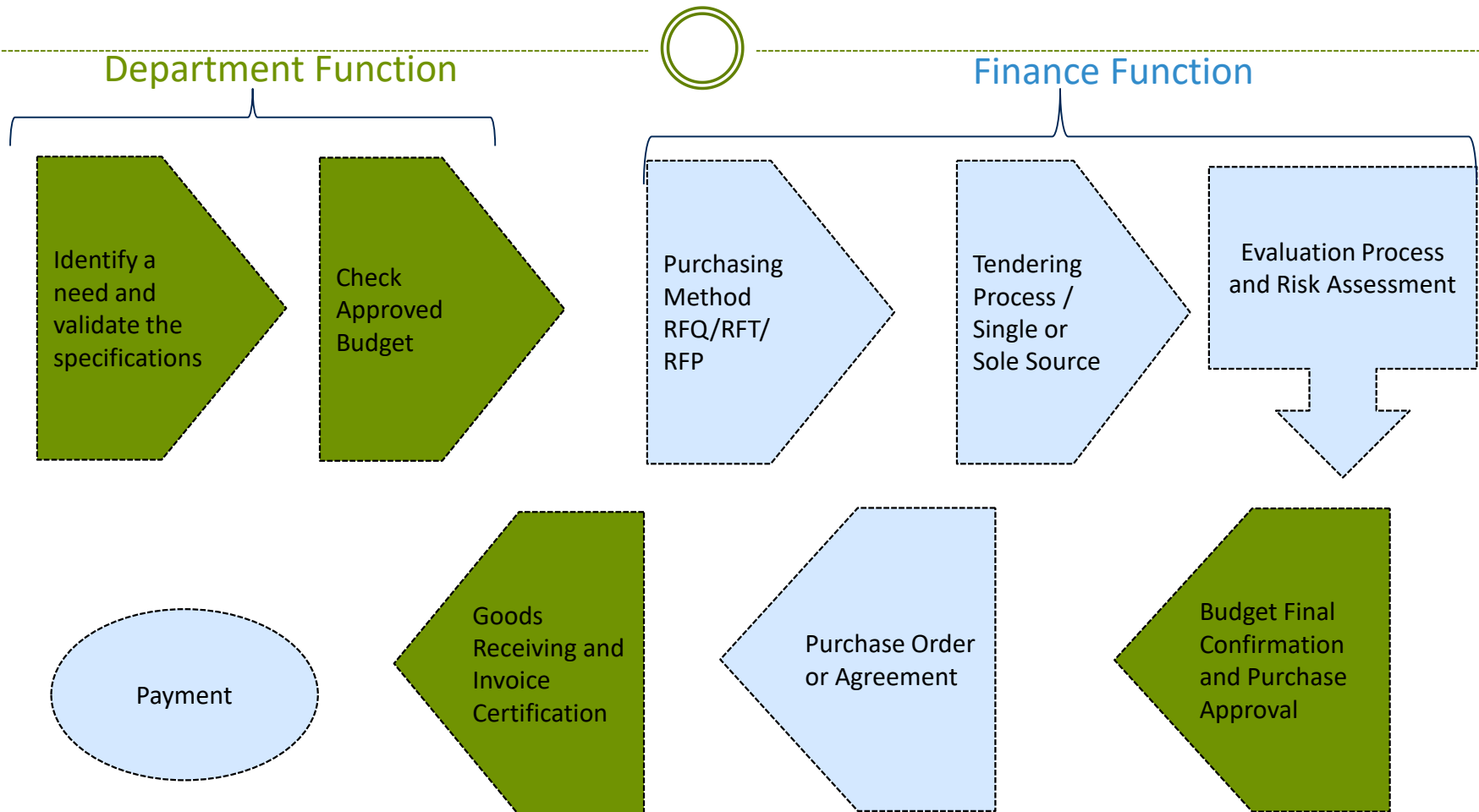
Bidder Name	Request for Tender Specifications	Bidder Specifications	Tender Price Including HST
Company A	iPhone 6 64 G Storage or equivalent	iPhone 6 64G Storage	\$800
Company B		iPhone 6 64G Storage	\$805
Company C		iPhone X 64G Storage	\$810

# CFTA and CETA - Thresholds



Trade Agreement	Procurement Type	Municipalities to follow
CFTA	Goods	\$100,000
	Services	\$100,000
	Construction	\$250,000
CETA	Goods	\$365,700
	Services	\$365,700
	Construction	\$9,100,000

# Procurement Process





# Procurement Methods



Procurement Method	Request for Proposal (RFP)	Request for Tender (RFT)	Request for Quotation (RFQ)	Informal, Low Value Procurement	Sole/Single Source Procurement
Definition	<p>Price is not the predominant award criteria.</p> <p>The details of the purchase are not well defined. The RFP process allows vendors to propose solutions or methods to arrive at a desired result and is for contracts.</p>	<p>Selection of vendor is made by price alone.</p> <p>A formal bid solicitation process for obtaining competitive bids for the purchase of goods and services that with adequately defined requirements for which a clear or single solution exists and for which the anticipated total acquisition cost of the purchase is expected to exceed \$50,000.</p>	<p>Selection of vendor is made by price alone.</p> <p>Same as a Request for Tender except it is used where the anticipated total acquisition cost of the purchase is not expected to exceed \$50,000.</p>	<p>Process for obtaining quote for goods and services by telephone, fax, in writing, or by any other method of communication.</p>	<p>Process for obtaining goods and services without seeking competitive pricing.</p> <p>Refer to Section 9.08 of the Procurement and Disposal of Goods and Services Policy for full details of when this process may be used.</p>

# Procurement By Law 1043- Thresholds



Estimated Value of Goods or Services	Method of Procurement	Procurement Documentation Required	Authorization Required
\$0 to \$5,000	Minimum One (written/verbal) quote at the discretion of Department Head.	None	Department Head or Designated Staff.
\$5,001 to \$15,000	Three written comparative quotes required through Informal Request for Quotation or Informal Request for Proposal.	Purchase Order	Department Head - Up to amount in Approved Budget.
<b>Purchases where requirements can be definitively specified or defined</b>			
\$15,001 to \$50,000	Request for Quotation or Request for Proposal	Purchase Order	Department Head and Treasurer or CAO
\$50,001 to 100,000	Request for Tender or Request for Proposal	Purchase Order and Contract, if applicable	Department Head and Treasurer or CAO
Greater than \$100,000 *	Request for Tender or Request for Proposal	Purchase Order and Contract, if applicable	Council based on recommendations provided by the Department Head in a Report to Council, to which the Treasurer or CAO concur.

\* In compliance with CFTA and CETA requirements.



# Procurement By Law 1043- Thresholds



Estimated Value of Goods or Services	Method of Procurement	Procurement Documentation Required	Authorization Required
<b>Purchases which meet the criteria for Sole/Single Source Procurement</b>			
\$5,001 to \$50,000	Non-competitive procurement	Purchase Order	Department Head and Treasurer or CAO
\$50,001 to \$100,000	Non-competitive procurement	Purchase Order and Contract, if applicable	Department Head and Treasurer or CAO
Greater than \$100,000 *	Non-competitive procurement	Purchase Order and Contract, if applicable	Council based on recommendations provided by the Department Head in a Report to Council, to which the Treasurer or CAO concur.

\* In compliance with CFTA and CETA requirements.

# Current Trends



- Electronic Tendering
- Group purchases with other Municipalities / Broader Public Sector organizations



## Q & A