

# **The Corporation of the Town of Essex**

## **By-Law Number 2437**

Being a by-law to amend By-Law 2129, being a  
by-law to Adopt a Policy for the Procurement and  
Disposal of Goods and Services

**WHEREAS** Section 270. (1) of the Municipal Act, 2001 requires that a municipality adopt and maintain policies and procedures with respect to its procurement of goods and services;

**AND WHEREAS** on February 22, 2022, Council of the Town of Essex enacted By-Law 2129, being a by-law for its procurement and disposal of goods and services;

**AND WHEREAS** Council is desirous that By-Law 2129 be amended to encourage Canadian purchasing, while still acting within applicable legislation, in response to US Tariffs;

**NOW THEREFORE** be it resolved that the Council of The Corporation of the Town of Essex hereby enacts as follows:

1. **That** By-Law 2129 be amended as follows:

- a. Section 9.03 subsections a) to k) are deleted and expunged in its entirety and replaced with the following:

"9.03 Informal Request for Quotations (Purchases with a value of \$50,001 to \$130,000)

A minimum of three informal written quotations/proposals shall be required for purchases exceeding \$50,000, including applicable taxes, of which at least one (1) is from a local supplier, where possible. Approval must be sought as per Table "III", "Use of Procurement Methods". A duly authorized Purchase Order prepared by the Purchasing Administrator should be issued. The quotations obtained shall be noted on the Purchase Order in the appropriate section and all written quotations shall be attached to the Purchase Order. A copy of the approved Purchase Order shall be retained by the Purchasing Administrator in accordance with Section 44.00, "Retention of Purchasing Documentation" of By-Law."

- b. Section 9.04 subsection a) is deleted and expunged in its entirety and replaced with the following;

"9.04 Request for Tenders (Purchases with a value exceeding \$130,000)

- a. A Request for Tender ("RFT") will be undertaken in cases where all of the following criteria exists:
- i. The requirements for goods and services can be adequately defined to permit the evaluation of tenders against clearly stated criteria;
  - ii. The Total Acquisition Cost of the good and services, including applicable taxes is greater than One Hundred and Thirty Thousand (\$130,000) Dollars;
  - iii. Two or more sources are considered capable of supplying the required goods and services;
  - iv. The market conditions are such that tenders can be submitted on a common pricing basis; and

- v. Sufficient funds are available in the approved Operating or Capital Budget to pay for the goods and services.”
  - c. Section 9.04 subsection c) is deleted and expunged in its entirety and replaced with the following;  
  
“9.04 subsection c) The Purchasing Administrator shall:
    - a. Give notice of the RFT by advertising such RFT on the Town of Essex website and/or any other electronic tendering platform (such as “MERX”);
    - b. prepare and submit for posting any Addendums to the RFT;
    - c. arrange for the public opening of responses to RFT’s in accordance with Section 14.00, “Bid Closing and Public Opening of Bids” of this Policy, at the time and date specified in the RFT;
    - d. safe keep any bid bonds until the RFT is awarded;
    - e. review responses to an RFT for irregularities and act in accordance with Appendix “A”, Response to Irregularities Contained in Bids” and Section 18.00, “Bid Irregularities” of this Policy;
    - f. prepare or assist to prepare a Report to Council summarizing the bids received and recommending award of the contract if the total value of the RFT or multi-year contract, including applicable taxes, is greater than \$130,000 for goods and services or is greater than \$330,000 for construction projects or is greater than the amount included in the approved budget;
    - g. once approved by Council, prepare a Purchase Order for the purchase of goods and services under a RFT with approval of such Purchase Order to be obtained from the Department Head and the Treasurer or the CAO prior to the purchase of goods and services in accordance with Section 24.00, “Requirements for Purchase Orders and Contracts”;
    - h. arrange for the execution of any contract documents by the Mayor or Deputy-Mayor and the Clerk, if applicable; and,
    - i. return any bid bonds to the unsuccessful bidders after awarding the contract.”
  - d. **That** Table II Procurement Methods and Table III Use of Procurement Methods is deleted and expunged in its entirety and replaced with Schedule “A” to this By-Law 2437 being a by-law to amend By-Law 2129; and
2. **That** this By-Law shall come into full force and effect upon the final passing thereof.

**Read a first, a second and a third time and finally passed on April 22, 2025.**

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Mayor

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Clerk

Table II  
Procurement Methods  
Procurement and Disposal of Goods and Services Policy

By-Law 2437 Schedule "A"

<b>Procurement Method</b>	<b>Request for Proposal (RFP)</b>	<b>Request for Tender (RFT)</b>	<b>Informal Request for Quotation/Proposal</b>	<b>Informal, Low Value Procurement</b>	<b>Sole/Single Source Procurement</b>
Definition	Process where a need is identified, but the method by which it will be achieved is unknown or flexible at the outset. The RFP process allows vendors to propose solutions or methods to arrive at a desired result and is for contracts where price is not the predominant award criteria.	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 \$130,000.	Competitive bidding process by Invitation (at least three bidders/proponents). It is used where the anticipated total acquisition cost of the purchase is not expected to exceed \$130,000.	Process for obtaining competitive pricing for goods and services by telephone, fax, in writing, or by any other method of communication. \$0 to \$10,000	Process for obtaining goods and services without seeking competitive pricing. 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.
Method of Advertising	Town of Essex website and/or any other electronic tendering service (example: Bids&Tenders) that will provide a competitive proposal process.	Town of Essex website and any other electronic tendering service (example: Bids&Tenders) that will provide a competitive bid process.	Town of Essex website and/or invitation to bidders to submit bids.	No advertising required.	No advertising required.
Goals	An objective, fair, open, transparent and accountable and efficient process. Proposals generally selected on the basis of the highest score where the proposal meets the requirements specified in the competition based on qualitative, technical and pricing considerations.	An objective, fair, open, transparent and accountable and efficient process. Tenders are generally accepted on the basis of the lowest total acquisition cost that meets all of the requirements specified in the competition.	To obtain competitive pricing and support local and national economy, to the extent that is legally permitted. Bidders are generally accepted on the basis of the lowest total acquisition cost that meets all of the requirements specified in the competition.	To obtain competitive pricing in an expeditious and cost-effective manner.	To allow for procurement in an efficient and timely manner.

Prepared by: Jackson Tang, Assistant Manager, Business Services  
Reviewed by: Katelynn Giurissevich, Director, Corporate Services  
Reviewed by: Doug Sweet, Chief Administrative Officer

Table III  
Use of Procurement Methods  
Procurement and Disposal of Goods and Services Policy

By-Law 2437 Schedule "A"

Estimated Value of Goods or Services	Method of Procurement	Procurement Documentation Required	Authorization Required
\$0 to \$10,000	Informal Low Value Procurement Comparative pricing may be obtained at the discretion of the purchaser; the requirement for comparative pricing at purchasing values less than \$10,000 may be required on a departmental basis at the discretion of the Department Head.	None	Employee designated by a Department Head. Department Heads have the option to reduce maximum purchasing dollar levels requiring approval by the Department Head at their discretion.
\$10,001 to \$130,000	Competitive Bidding Process by Invitation. At least three written comparative quotes/proposals are required. (i.e. Informal Request for Quotation or Informal Request for Proposal.	Purchase Order Written quotes shall be attached.	Department Head and Treasurer or CAO
<b>Purchases where requirements can be definitively specified or defined</b>			
Greater than \$130,000	Request for Tender or Request for Proposal	Purchase Order and Contract, if applicable	Goods and Services: >\$130,000 Construction: >\$330,000 Council based on recommendations provided by the Department Head in a Report to the Council, to which the Treasurer or CAO concur.
<b>Purchases which meet the criteria for Sole/Single Source Procurement</b>			
\$10,001 to \$130,000	Non-competitive procurement	Purchase Order and Contract, if applicable	Department Head and Treasurer or CAO
Greater than \$130,000	Non-competitive procurement	Purchase Order and Contract, if applicable	Council based on recommendations provided by the Department Head in a Report to the Council, to which the Treasurer or CAO concur.

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