


<b>CityHousing Hamilton Corporation</b>			
CATEGORY	03	Procurement	DATE APPROVED:
SECTION	04	Preparing Tenders	UPDATED ON:
POLICY	02	Request for Quotations (\$10,001 - \$99,999)	INTERNAL POLICY
<b>1.0 POLICY STATEMENT AND PURPOSE</b>			
<p>CityHousing Hamilton (CHH) is committed to ensure that the purchasing function related to formal quotations meets the current and future needs of the organization by employing effective and innovative methods for procurement of goods and/or services.</p>			
<b>2.0 SCOPE</b>			
<p>The policy will provide guidance when requesting formal quotations in order to fulfill project needs of CHH.</p>			
<b>3.0 POLICY</b>			
<p>The Chief Executive Officer and designates within the Asset Renewal, Maintenance and Operations Departments can approve to purchase goods and/or services, through the method of formal quotations within \$10,001-\$99,999 (excluding vacancies which is up to \$25,000).</p> <p>Where formal quotations are required for goods and/or services, all staff must complete the Formal Quotations Form that includes the requirement for Management sign off.</p> <p>Designates for these departments are responsible to ensure budget funds are available prior to authorizing the purchase. Formal quotes will not be obtained from associated companies.</p> <p>There may be circumstances where CHH may charge for receiving a bid application. Holdbacks will be required for contracts over \$50,000 in accordance with the <i>Construction Lien Act</i>.</p> <p>Projects required to be completed through the Standard Operating Rates are not bounded by this policy.</p>			
<b>3.1 CONFLICT OF INTEREST</b>			
<p>Pursuant to the City of Hamilton's Corporate Code of Conduct for Employees Policy, Schedule A, Conflict of Interest, employees of CHH should not have a pecuniary interest, either directly or indirectly, in any CHH contract or with any person acting for CHH in any contract for the supply of goods and/or services for which CHH pays or is liable, directly or indirectly to pay unless such interest has been declared.</p>			

In addition, employees of CHH are required to declare any pecuniary interest, either direct or indirect, in writing to the Manager of Asset Renewal and/or to the Chief Executive Officer indicating the specific nature of the conflict.

#### 4.0 PROCEDURE

Where there is no negotiated contract available the following process should be adhered to:

- a. The Procurement Award/Purchase Order Requisition Form (Form) must be completed to track a minimum of three formal quotes. Three formal quotes should be obtained by a method of written communication (email and/or hard copy documents) and attached on the Form, unless otherwise approved by the Asset Renewal, Maintenance and/or Operations Departments. The Department Manager must sign the Form confirming a minimum of three quotes was obtained;
- b. In seeking the contractor staff may use the Certified Contractor List;
- c. Bids must be received from a minimum of three separate contractors;
- d. All Contractors should receive the same scope of work;
- e. The lowest valid formal quotes will be awarded the contract;
- f. All written quotes be retained by required Departments will we done so in accordable with CHH's File Retention Policy.

Staff is encouraged to seek more than the minimum of three formal quotes to ensure a more competitive process and to utilize any established quotation templates. The formal quotation package must be provided to the Contractor.

In the event that two or more identical bids are received and are the lowest valid bid, best and final offers will be solicited from each of these contractors in order to break the tie. If this effort is unsuccessful, then a draw will be held to determine the successful contractor.

If the scope of work is uncertain, CHH may choose to complete a Request for Proposal (RFP), in accordance with this policy.

The Asset Renewal Department will assist in the preparation of the RFP to ensure legal requirements of the contract are met. However, the scope of the work should be completed by the Department requiring the RFP.

All prospective bidders must acquire a tender package; if a fee is required it will be non-refundable. The fee will be specified in the tender documents.

#### 5.0 LEGAL REQUIREMENTS

- *Construction Lien Act, 1990*
- *Municipal Act, 2001*

#### 6.0 RESPONSIBILITY

It is the responsibility of the Chief Executive Officer to ensure that all appropriate staff are trained on this policy.

## 7.0 DEFINITIONS

**Associated Companies:** means any companies that are related to the parent company.

**Contract:** means any formal legal agreement between two or more parties for supplies, goods, services, equipment, or construction. Such agreements will consist in the form of a:

- a) Purchase Order;
- b) Purchase Order incorporating a formal agreement; or
- c) Formal agreement between two or more parties that creates an obligation to provide defined goods and/or perform defined services.

**Contractor:** means the person or corporation whose tender has been accepted by the owner, and who is deemed to have entered into the contract with the owner.

**Construction Lien Act (CLA), 1990:** legislation that describes the protection of contractors and suppliers of work, services and supplies to property and outlines describes who has security against the property and the process by which the lien claimants can enforce their various rights.

**Goods:** includes supplies, equipment, materials, products, structures and fixtures to be delivered, installed or constructed.

**Municipal Act, 2001:** legislation that outlines municipal governance and jurisdiction to administer and deliver services in respective areas.

**Pecuniary Interest:** is something that causes either a negative or positive financial impact for the individual. The term interest is not limited to a property interest and may be an interest that financially impacts the person through a personal or business relationship, or through a contract.

**Request for Proposals (RFP):** means a formal request for prices and details on goods and/or services from vendors, where the goods and/or services may not be able to be fully defined or specified or when alternate methods are being sought to perform a certain function or service, at the time of the request.

**Request for Quotations (RFQ):** means an informal request for price for goods and/or services with an estimated procurement cost.

**Service:** means all professional, consulting, construction or maintenance services as well as any other services described in the contract or in a RFQ, RFP or RFT.

## 8.0 REFERENCES AND RELATED POLICIES

- Authorization Limits for Procurement Policy
- Certified Contractor List Policy

## 9.0 ATTACHMENTS

- [Procurement Award/Purchase Order Requisition Form](#)