

CityHousing Hamilton Corporation



CATEGORY	03	Non-Competitive Procurements	DATE APPROVED:
SECTION	06	Works and Services	UPDATED ON:
POLICY	03	Non-Competitive Procurements (up to \$250,000)	INTERNAL AND EXTERNAL POLICY

1.0 POLICY STATEMENT AND PURPOSE

CityHousing Hamilton (CHH) is committed to ensure that the purchasing function related to non-competitive procurements of goods and/or services meets the current and future needs of the organization.

2.0 SCOPE

The policy describes the process of when CHH staff should initiate non-competitive procurements of goods and/or services.

3.0 POLICY

Approval is required by the Chief Executive Officer of CHH to approve the Non-Competitive Procurement Form (Form 11), justifying the requirement to move forward with non-competitive procurements, prior to any CHH staff entering into discussions with any contractor regarding the purchase of goods and/or services. Form 11 is required for purchases up to \$100,000 for consultancy services and up to \$250,000 for other services.

The total cumulative value, excluding taxes, of a Form 11 for other services should not exceed \$250,000 in any given year or multiple consecutive years, based on the length of the contract.

Should the good and/or service exceed the allotted amount of \$100,000 for consultancy services or \$250,000 for other services, CHH Board of Directors must approve the purchase.

CHH staff should move forward with non-competitive procurements, when the following conditions have been met:

1. When goods and/or services are judged to be in **short supply** due to market conditions. There may be more than one source of supply in the open market, but only one of these is recommended by CHH. The justification required is to support why it is beneficial for CHH to award this work to a particular contractor versus going through a competitive process;
2. When a single source for the supply of a particular good and/or service is being recommended because it is more cost effective or beneficial for the CHH; and
3. Where a CHH Contract has expired or will very shortly expire and unforeseeable circumstances have caused a delay in issuing a new RFP or RFT so that a Contract extension is required.

The Asset Renewal Department is responsible for obtaining insurance certificates and current WSIB clearance certificates from the Contractor. Standard insurance requirements will be detailed in applicable

procurement templates.

3.1 CONFLICT OF INTEREST

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.

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.

Unless otherwise provided prior express written consent by CHH, a Contactor and its representatives will not act on behalf of CHH with respect to any matter, issue or in connection with any property in which the Contactor or employee or subcontractor of the Contractor has a direct or indirect pecuniary interest, including any contingent interest.

In any case where there may be a conflict of interest between the Contractor and CHH, the Contractor must notify the City in writing immediately of any potential conflict of interest that may arise prior to the award of any contract and fully disclose any details thereof. Also, before the submission of a bid to act on behalf of the City, the Contractor will exercise reasonable due diligence to confirm that there is no conflict of interest.

Should a Contractor fail declare a conflict of interest to CHH and/or obtain CHH's prior express through written consent to waive the conflict of interest, may result in the Contract being ineligible to bid and can form a basis for rejection of a bid submitted to CHH.

4.0 PROCEDURE

A Form 11 must be completed when requesting a non-competitive procurement.

Goods and/or services should be procured through a purchase order, a contract or any other process as approved by the appropriate approval authority outlined in the Authorization Limits for Procurement Policy.

A purchase order will be issued where a Form 11 has been authorized.

5.0 LEGAL REQUIREMENTS

- *Municipal Act, 2001*

6.0 RESPONSIBILITY

It is the responsibility of the Manager of Asset Renewal to ensure that all appropriate staff are trained on this policy.

7.0 DEFINITIONS

Approval Authority: means the authority to approve and award procurements, as well as any assignment or corporate change requests related to such procurements, up to the procurement values for the respective body or persons (s).

Bid: means an offer or submission from a vendor/contractor to a RFQ, RFP or RFT.

Consulting: means services rendered by members of a recognized profession or possessing a special skill. Such services are generally acquired to obtain information, advice, training or direct assistance.

Contract: 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.

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.

Owner: means CityHousing Hamilton.

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 of Tenders (RFT): means a formal request for prices on goods and/or services from vendors, where the goods and/or services are able to be fully defined or specified at the time of the request.

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.

Written Quote: is the cost coverage for a product or service that an authorized seller or provider offers in good faith through a written agreement to sell at the stated amount.

8.0 REFERENCES AND RELATED POLICIES

- Authorization Limits for Procurement Policy

9.0 ATTACHMENTS

- [Form 11](#)