

London Police Services Board Policy Title:	Approved: December 19, 2019 Replaces: LPSB-103: Tenders (October 18, 2001)
Procurement and Disposal of Surplus Property	Procurement and Disposal of Surplus Property

The *Police Services Act* provides that a police services board shall establish policies for the effective management of the police force.

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1. POLICY

The London Police Services Board (“the Board”) is committed to community’s safety and well-being by ensuring the London Police Service (LPS) provides effective and efficient police services to the City of London.

This policy is intended to establish policies for the purchase of goods and services made by or on behalf of the Board or the LPS except as may be expressly exempted or restricted under this policy. This policy shall also govern the disposal of surplus assets by or on behalf of the Board of the LPS.

2. PURPOSE AND OBJECTIVES

The purpose and objectives of the Procurement Policy are:

- a) to ensure openness, fairness, objectivity, accountability and transparency in the procurement process
- b) to obtain the best value in the procurement of goods and services
- c) to avoid conflict of interest and choose vendors in a fair and non-discriminatory process
- d) to encourage environmentally responsible and sustainable procurement while maintaining fiscal accountability
- e) to ensure quality delivery of goods or services at the right time and place
- f) to promote and implement procurement practices and accessibility criteria and features when procuring goods or services that support the principles of the *Ontarians with Disabilities Act, 2001* and *the Accessibility for Ontarians with Disabilities Act, 2005*, except where it is not practicable to do so.

3. DEFINITIONS

Award - the authorization to proceed with the purchase of deliverables

Best value - means, in relation to a purchase, that the purchase represents the optimal balance of high quality and financial terms

Bid - a submission received in response to a call for bids, and includes a quotation, a request for tender and a request for proposal

Bid Review Committee - the committee established under Section 10 of Procurement policy

Bidder or proponent - any legal entity that submits a bid in response to a call for bids and includes a proponent

Board - means The London Police Service Board

Budget - means the estimates adopted by the Board and approved by Council for expenditure during each calendar year for the purposes of the Board and the LPS.

Budget Manager – an authorized member of LPS, or the Board, that has been granted budget responsibilities for one or multiple business units

Call for bids - means a formal request for bids and includes a request for quotations, a request for tenders and a request for proposals

Chair - means the Chair of the London Police Services Board

Chief or Chief of Police - means the Chief of Police of the LPS

Construction - construction, reconstruction, demolition, repair or renovation of a building or structure and includes site preparation, excavation, drilling, seismic investigation, soil investigation, the supply of products and materials and the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures to a building or structure

Contingency - means an event or circumstance that gives rise to an increase in a contract price and which could not have been reasonably anticipated at the time of contract award

Contract - means any form of binding agreement between the Board and a contractor for the purchase of goods or services and includes a purchase order

Contractor - means any legal entity to whom a contract is awarded and includes a vendor, supplier, service provider and consultant

Deputy Chief – is a Deputy Chief of Police of the LPS

Designate - means the person provided with the written authority to act on another person's behalf, notice of which shall be filed with the Chief of Police

Director of Financial Services – is the Director of Financial Services for the LPS

Director of Legal Services – is the Director of Legal Services for the LPS

Division Commander – means the Superintendent-in-charge of a Division of the LPS.

Emergency – is an event or circumstance where the immediate purchase of goods or services are necessary to prevent or alleviate: (a) a serious delay in service delivery; (b) a threat to the health, safety or welfare of any person; (c) the disruption of essential services; or (d) damage to public property and includes, but is not limited to, an emergency declared under the Emergency Management and Civil Protection Act

Goods and services - means personal property, including raw materials, products, supplies, equipment and other physical objects of every kind and description; services include those services requiring the skills of a professional for a specialized service and includes the services of architects, engineers, designers, surveyors, planners, accountants, auditors, management professionals, marketing professionals, software and information technology experts, financial consultants, lawyers, law firms, real estate agents and brokers, environmental planners and engineers, transportation planners and engineers, communications consultants and any other consulting services which may be required by LPS or the Board.

Litigation - means any unresolved dispute between the LPS or Board and any other party or related party adverse in interest, including third party and cross-claims, where either a legal proceeding has been commenced for an injunction, a mandatory order,

a declaration or the recovery of money, or a threat of legal action has been made in writing

Member - means an officer or employee of the LPS

Proposal - means a submission received in response to a request for proposals

Purchase order - a written order to a contractor setting out the terms and conditions for the purchase of goods or services

Quotation - means an offer received in response to a request for quotations

Real property – is land, or land and buildings, and includes fixtures attached to such land or buildings

Request for information – is a request made by LPS for the purpose of compiling a list of potential bidders who may be interested in providing goods or services to LPS

Request for pre-qualification - is a request for the submission of information from potential bidders, including the qualifications, experience, financial capability, background and staffing of any entity who may qualify to supply deliverables to the Board

Request for proposals – is a request for proposals issued under this policy where the goods or services are not clearly specified and it is anticipated that bidders may propose a variety of alternatives to fulfill the LPS requirements

Request for quotations - is a request for quotations issued under this policy where the goods or services can be clearly specified

Request for tenders – is a request for tenders issued under this policy where goods or services are clearly specified and intended that the lowest cost responsive bid shall be accepted without negotiation

Responsive - means that a bid has complied with the requirements set out in the call for bids

Scope change – is any change to a contract to accommodate a need identified by LPS or the Board which was not originally provided for in the contract and which may include the purchase of additional deliverables, extension of the term of the contract and may require an adjustment to the contract price

Senior Director– is the Senior Director of Financial, Facilities and Fleet Services for the LPS

Senior Officer - a senior officer of the LPS who is in charge of a specific Division or Branch within the LPS, and who is responsible for the operational and administrative management of members and of fixed property which fall under his or her authority

Total cost - is the contract cost for the full term of the contract, and, in the case of a contract containing renewal provisions, means the total cost to LPS or the Board for the initial term and all potential renewal terms, excluding the Harmonized Sales Tax, but including all other applicable, fees, charges and disbursements.

4. APPLICATION, RESTRICTIONS AND EXCEPTIONS

- a) The purchasing guidelines set out in this policy apply to the procurement or reimbursement of all goods and services, which support or are used in the course of LPS operations, made by or on behalf of the Board or the LPS

- except as may be expressly exempted or restricted under this policy.
- b) The dollar values of procurement limits set out in this policy represent the annual estimated procurement value for a good and/or service to be procured. The annual estimated procurement value is the cumulative value spent over a twelve month period for a particular good and/or service, excluding taxes, duties and shipping costs.
 - c) **No procurement shall be made under this policy unless it is part of funds provided for such procurement in the annual LPS budget or otherwise agreed to the provision of such funds and no expenditure shall be authorized or incurred in excess of such funds.**
 - d) No procurement or purchase shall be arranged or made to avoid the application of this policy. Without limiting the generality of the foregoing, no procurement of goods or services shall be divided into two or more parts for the purpose or intent of, or with the effect of, avoiding or frustrating the application of this policy.
 - e) No purchases shall be made under this policy by LPS members directly or indirectly for the personal use of any member or employee of the LPS.
 - f) Where a proposed contract provides for the LPS to receive revenue from a contractor, the guidelines and authority limits set out in this policy which are applicable to the total cost of a contract shall be construed as applicable, with necessary changes, to the total revenue payable under the contract.
 - g) The provisions of any domestic or international treaty governing procurement shall prevail to the extent of any conflict with this policy.
 - h) Any contract for goods and/or services that contains a legal indemnification clause, shall be sent to the City of London Risk Management Section for review of the indemnification clause. For clarity, the Risk Manager reviewing the indemnification clause is not providing consent to enter into the contract, but rather is ensuring that the indemnification is appropriate given the nature of the goods/services to be procured/provided.

5. EXEMPTIONS

- a) This policy shall not apply to the acquisition or disposal of any real property or to any lease, right or permission relating to the use or occupation of real property.
- b) Where the procurement of goods and services are required under any lease of real property and are provided for under the terms of such lease, including tenant improvements, equipment and fixtures, the terms of the lease shall govern to the extent of any conflict with this policy.
- c) This policy shall not apply where the procurement relates to:
 - i. the purchase of travel related items such as hotel accommodations, meals and transportation;
 - ii. the purchase of services for investigative purposes;
 - iii. the purchase of services for educational or training purposes at conferences, conventions, courses, workshops and seminars or training specifically designed for LPS;
 - iv. postage and utilities

- v. permits, certificates and licences from government or regulatory body;
 - vi. advertising for LPS operations or activities; or
 - vii. catering or venues for LPS events and activities.
- d) All requests for the purchases of computer technology, hardware or software that will be connected to the LPS network must be reviewed by the Information, Communication and Technology (ICT) branch and approved by the ICT Director or designate and follow procurement processes.

6. RESPONSIBILITIES AND AUTHORITIES

- a) Each Deputy Chief shall have responsibility for the procurement of goods or services for the matters under their control in accordance with the terms of this policy.
- b) The Senior Director, or designate, shall be responsible for:
 - i. providing procurement advice, in consultation with the Director of Legal Services, if required, including, but not limited to, preparing calls for bids;
 - ii. administering calls for bids and ensuring compliance with the terms and conditions of the calls for bids;
 - iii. using an online bid and tender system to advertise, manage and award bids;
 - iv. reviewing statements of work and specifications for compliance with the terms of this policy;
 - v. the development of co-operative purchasing arrangements with other levels of government, municipalities, agencies, or public authorities where such arrangements are determined to be in the best interests of the LPS;
 - vi. the standardization of all procurement policies;
 - vii. the disposal of surplus assets; and
 - viii. the preparation of reports to the Board when required under this policy.
- c) Where any authority has been granted to any member under this policy, such authority may be exercised by that member's authorized designate upon approval from a Division Commander or Chief or Deputy Chief.
- d) Where any authority has been granted to any member under this policy, such authority may be exercised by the Chief of Police.
- e) All insurance and WSIB documents related to a procurement shall be forwarded to the Senior Director in charge of Facilities, Finance and Fleet for submission to Risk Management at the City of London.

7. PRE-QUALIFICATION

Request for Information/Request for Expressions of Interest

- a) The Senior Director, or designate, may issue a request for information or a request for expressions of interest for the purpose of determining the availability of any goods or services.
- b) A request for information or request for expressions of interest may be conducted as a pre-condition to any procurement policy set out in this policy.
- c) The receipt of a submission in response to a request for information or a request for expressions of interest shall not create any contractual obligation on the part of the LPS. The Senior Director, or designate, is not required to proceed with any further procurement process following a request for information.

Request for Pre-qualification

- d) The Senior Director, or designate, may issue a request for pre-qualification for the purpose of selecting qualified bidders to respond to a call for bids.
- e) When a request for pre-qualification is issued, a pre-qualification document shall be provided to potential bidders setting out the criteria for pre-qualification, which may include:
 - i. experience with similar work;
 - ii. references provided from other customers for similar work;
 - iii. verification of qualifications, licences and permits, if applicable; and
 - iv. financial capability.
- f) The selection of bidders following a request for pre-qualification shall not create any contractual obligation between the LPS and a pre-qualified bidder. The Senior Director, or designate, is not required to proceed with any further procurement process following a request for pre-qualification.

8. AUTHORIZATION OF PURCHASES

Purchases Not Exceeding \$25,000

- a) Where the total cost of goods or services do not exceed twenty-five thousand dollars (\$25,000), a Budget Manager may acquire the goods or services on their own authority without issuing a call for bids, provided that the Budget Manager is satisfied that the purchase of the goods or services represents best value for LPS, and that the purchase is made in accordance with the provisions of this policy.
- b) Obtaining competitive quotations is considered a good business practice and should be obtained, if available. The Budget Manager is required to award the purchase of goods or services to the lowest compliant bid, unless other criteria or requirements are identified at the start of the quotation or bidding process such

as supplier performance, quality of services or goods or references. Records must be retained, if any criteria or requirements are used (other than price), to evaluate the quotations or bids.

- c) For any consulting services the following information must be contained within the vendor's proposal or agreement:
 - i. Schedule of fees;
 - ii. Timeline to complete project; and
 - iii. List of personnel who will be directly involved in the completion of the project.

Purchases Between \$25,000 to \$100,000

- a) Where the total cost of goods or services exceeds twenty-five thousand dollars (\$25,000) and up to one hundred thousand dollars (\$100,000), an authorized LPS member shall solicit a minimum of three (3) quotations. Two quotations are acceptable, if three are not available, with approval from a Senior Officer.
- b) Only a Senior Officer may authorize the purchase provided that the purchase of goods or services represents the lowest compliant bid, unless other criteria or requirements are identified at the start of the quotation or bidding process such as supplier performance, quality of services or goods or references. Records must be retained, if any criteria or requirements are used (other than price), to evaluate the quotations or bids.
- c) In the event two (2) or more equal lowest compliant bids are submitted during a competitive bid process, a Senior Officer will offer an opportunity for those bidders with the equal lowest compliant bids to re-bid.
- d) All quotations shall be retained for a minimum of five (5) years or the period of time prescribed in the LPS Retention of Documents policy and must be retained by the responsible Budget Manager or Senior Officer within the unit's shared network folders.
- e) For any consulting services the following information must be contained within the vendor's proposal or agreement:
 - i. Schedule of fees; and
 - ii. Methodology and timeline to complete project; and
 - iii. Demonstrated experience and qualifications required to perform project and
 - iv. List of personnel who will be directly involved in the completion of the project
 - v. Multi-year bid awards will require Executive approval for future year budgets.

Purchases Between \$100,000 to \$150,000

- a) Where the total cost of any goods or services exceeds one hundred thousand dollars (\$100,000) and up to one hundred fifty thousand dollars (\$150,000), a request for quotations (RFQ) shall be issued.

Purchases Exceeding \$150,000

- a) Where the total cost of any goods or services exceeds one hundred fifty thousand dollars (\$150,000), a request for tenders (RFT) or request for proposals (RFP) shall be issued, subject to the exceptions noted in the Direct Purchases section of this document.
- b) In addition to any other requirements set out in this policy, a request for quotations, request for tenders or a request for proposals shall be undertaken in compliance with the following process:
 - i. the scope of the deliverables shall be set out in the call for bids;
 - ii. the form of the call for bids shall, to the extent possible, use standardized documentation;
 - iii. the call for bids shall be circulated and advertised using an online bid and tender system to ensure the most comprehensive and most competitive response to the call for bids;
 - iv. in the case of a request for proposals, the evaluation criteria and weightings shall be established, by a Bid Committee, prior to the call for bids and the call for bids shall clearly specify how each of the applicable criteria will be applied in evaluating the bids;
 - v. bids shall be opened on the specified date, at the specified time by the Senior Director or designate;
 - vi. goods and services may require minimum bid posting and dispute process times to adhere to Canadian-European Union Comprehensive Economic and Trade Agreement (CETA) requirements;
 - vii. all bid amounts shall be recorded, unless a proponent does not meet all bid requirements and is disqualified;
 - viii. all bids shall be fairly and completely evaluated by the Bid Committee using an open, fair and transparent process;
 - ix. the evaluation of each bid shall be recorded by the Bid Committee using a standardized form of evaluation record;
 - x. the evaluation record shall be stored by the Senior Director or designate and shall only be destroyed in accordance with the LPS's records retention policy; and
 - xi. any informality or irregularity shall be referred to the Bid Review Committee in accordance with Section 10 of this policy.

Request For Quotations (RFQ)

A request for quotations shall be issued by the Senior Director, or designate and undertaken in compliance with the following process:

- a) the scope of the deliverables shall be set out in the call for bids;
- b) the form of the call for bids shall, to the extent possible, use standardized documentation;
- c) the call for bids shall be circulated and advertised using an online bid and tender system to ensure the most comprehensive and most competitive response to the call for bids;
- d) bids shall be opened on the specified date, at the specified time by the Senior Director or designate;
- e) all bid amounts shall be recorded at opening, unless a bidder does not meet all bid requirements and is disqualified;
- f) two or more sources are available to supply the goods or services;
- g) the goods or services can be clearly specified;
- h) the market conditions are such that bids can be submitted on a competitive pricing basis;
- i) the best value for LPS will be evaluated on the basis of total cost that meets all terms, conditions and specifications;
- j) the contract will be awarded to the lowest compliant bidder, provided all other conditions of the bid have been met to the satisfaction of the bid committee;
- k) In the event two (2) or more equal lowest compliant bids are submitted, the Senior Director or designate will offer an opportunity for those bidders with the equal lowest compliant bids to re-bid;
- l) LPS reserves the right to accept or reject any submissions and make bidders aware of accepted bids or bid irregularities that cause bids to be rejected;
- m) The Director of Legal Services reviews and validates all contracts or agreements;
- n) The Senior Director, or designate may award the contract;
- o) The Chief, or designate executes and signs all contracts or agreements OR forwards to Board if required.

Request For Tenders (RFT)

A request for tenders shall be issued by the Senior Director, or designate and undertaken in compliance with the following process:

- a) the scope of the deliverables shall be set out in the call for bids;
- b) the form of the call for bids shall, to the extent possible, use standardized documentation;
- c) the call for bids shall be circulated and advertised using an online bid and tender system to ensure the most comprehensive and most competitive response to the call for bids;
- d) goods and services may require minimum bid posting and dispute process times to adhere to Canadian-European Union Comprehensive Economic and Trade Agreement (CETA) requirements;
- e) bids shall be opened on the specified date, at the specified time by the Senior Director or designate;
- f) all bid amounts shall be recorded at opening, unless a bidder does not meet all bid requirements and is disqualified;
- g) two or more sources are available to supply the goods or services;
- h) the goods or services can be clearly specified;
- i) the market conditions are such that bids can be submitted on a competitive pricing basis;
- j) the request for tender will be awarded to the lowest compliant bidder, provided all other conditions of the bid have been met to the satisfaction of the bid committee;
- k) In the event two (2) or more equal lowest compliant bids are submitted, the Senior Director or designate will offer an opportunity for those bidders with the equal lowest compliant bids to re-bid. Should a tie persist, the equal bidders shall draw straws in no preferential order held by the Senior Director or delegate and witnessed by another Senior Officer. The bidder who draws the longest straw will be the winner;
- l) LPS reserves the right to accept or reject any submissions and make bidders aware of accepted bids or bid irregularities that cause bids to be rejected;
- m) The Senior Director, or designate must submit a bid summary report to a Deputy Chief for awarding the contract;
- n) The Deputy Chief may award a contract provided that the total cost of the contract does not exceed five hundred thousand dollars (\$500,000) and
- o) The Chief may award a contract provided that the total cost of the contract does not exceed two (2) million dollars (\$2,000,000);
- p) Only the Board may award a contract over two (2) million dollars (\$2,000,000);
- q) The Director of Legal Services reviews and validates all contracts or agreements;

- r) The Chief or designate executes and signs all contracts or agreements OR forwards to Board if required.

Request For Proposals (RFP)

A request for proposals shall be issued by the Senior Director, or designate where the goods or services are not clearly specified and it is anticipated that bidders may propose a variety of alternatives to fulfill the LPS requirements and undertaken in compliance with the following process:

- a) the scope of the deliverables shall be set out in the call for bids;
- b) the form of the call for bids shall, to the extent possible, use standardized documentation;
- c) the call for bids shall be circulated and advertised using an online bid and tender system to ensure the most comprehensive and most competitive response to the call for bids;
- d) goods and services may require minimum bid posting and dispute process times to adhere to Canadian-European Union Comprehensive Economic and Trade Agreement (CETA) requirements;
- e) The request for proposals shall be conducted using a two (2) envelope system: one envelope for the technical proposal and one (1) envelope for the financial proposal;
- f) proposals shall be opened on the specified date, at the specified time by the Senior Director or designate;
- g) all proposal submissions shall be recorded at opening, unless a proponent does not meet all request for proposal requirements and is disqualified;
- h) two or more sources are available to supply the goods or services;
- i) the evaluation criteria and weightings shall be established, by a Bid Review Committee, prior to the call for bids and the call for bids shall clearly specify how the applicable criteria will be applied in evaluating the bids;
- j) all bids shall be fairly and completely evaluated by the Bid Review Committee using an open, fair and transparent process;
- k) the evaluation of each bid shall be recorded by the Bid Review Committee using a standardized form of evaluation record;
- l) the evaluation record shall be stored by the Senior Director or designate and shall only be destroyed in accordance with the LPS's records retention policy; and

- m) any informality or irregularity shall be referred to the Bid Review Committee in accordance with Section 10 of this policy;
- n) the goods or services can be clearly specified;
- o) the market conditions are such that bids can be submitted on a competitive pricing basis;
- p) the request for proposals will be awarded to the proponent with the highest total overall score by combining all the evaluation criteria scored by the Bid Review Committee, this proponent will be known as the "Lead proponent" for awarding the request for proposal and during contract negotiations;
- q) In the event two (2) or more compliant bids are evaluated and scored with equal total overall scores by combining all evaluation criteria, the Senior Director or designate will offer an opportunity for those bidders with the highest equal total overall scores to re-bid;
- r) LPS reserves the right to accept or reject any submissions and make bidders aware of accepted bids or bid irregularities that cause bids to be rejected;
- s) The Senior Director, or designate must submit a bid summary report to a Deputy Chief for awarding the contract;
- t) The Deputy Chief may award a contract provided that the total cost of the contract does not exceed five hundred thousand dollars (\$500,000) and
- u) The Chief may award a contract provided that the total cost of the contract does not exceed two (2) million dollars (\$2,000,000);
- v) Only the Board may award a contract over two (2) million dollars (\$2,000,000);
- w) The Director of Legal Services reviews and validates all contracts or agreements;
- x) The Chief or designate executes and signs all contracts or agreements OR forwards to Board if required.

9. CONFLICT OF INTEREST

- a) No LPS member, Board member or officer shall have any pecuniary or controlling interest either direct or indirect in any competitive bid or contract for the supply of goods or services to LPS. Any conflict of interest between the LPS member, Board member or officer and a contractor, bidder or person submitting a quotation, competitive bid or contract must be disclosed.

- b) No LPS member, Board member or officer shall allow contact with a proponent, person, officer, employee or agent of a contractor or person, who has submitted a bid to LPS unless the bid call has been awarded or the contact is for the purpose of receiving a complaint. This includes the current incumbent, except for regular communications in the normal course of providing ongoing services to the LPS or the Board.
- c) Competitive bid documents shall include a section that requires and provides for the disclosure of any pecuniary interest prior to submission of the bid. Should a conflict of interest arise after the award of a contract, the conflict shall immediately be disclosed in writing to the Senior Director, or designate. It is the responsibility of any LPS member, Board member, officer, contractor or bidder to disclose any conflict of interest. Further, all competitive bid documents and agreements shall provide that in the event that a contract is awarded to a person who has not, during the bidding or contracting process, disclosed the pecuniary interest of any LPS member, officer or Board member in the contract, the contract may be cancelled at any time by the LPS or the Board in its entire discretion without damages or penalty.
- d) The Senior Director shall not open and consider any bid, or otherwise acquire any goods or services from a LPS member, officer or Board member unless the Chief of Police and Director of Legal Services have resolved the conflict of interest to the satisfaction of the Chief of Police.

10. BID REVIEW COMMITTEE

- a) The Senior Director will establish a Bid Review Committee composed of a minimum three (3) LPS members:
 - i. at least one Senior Officer, or designate, from the department requesting the procurement
 - ii. the Senior Director, or designate; and
 - iii. may include (at no cost to LPS or the Board), at maximum, one non-LPS member acting as a subject matter expert for the specific goods and services required.
- b) If a bid contains an informality or irregularity, or if there is a challenge to the call for bids process, the issue shall be referred to the Bid Review Committee to determine whether the bid complies with the submission requirements set out in the call for bids or to determine the validity of the challenge.
- c) The Bid Review Committee can unanimously reject a bid if any mandatory requirements are not met in the request for proposal submission.
- d) The Bid Review Committee can negotiate price with the Lead proponent when the bid exceeds the budget or funds available for the request for proposals.
- e) If only one bid is received, the Bid Review Committee may return the unopened request for proposal to the proponent if the Bid Review Committee unanimously agrees that additional bids may be secured at a later date. This requires the

approval of a Deputy Chief. Or the Bid Review Committee can, in its discretion, open the one request for proposal and if it is determined acceptable, then it will be awarded as an irregular result.

- f) If the Bid Review Committee does not agree unanimously that the bid should be accepted or rejected, the Senior Director, or designate, shall submit a report to the Deputy Chief setting out the nature of the informality, irregularity or challenge and the proposed action to be taken.
- g) The Deputy Chief will consult with the Director of Legal Services before making a final decision.

11. REQUIREMENT FOR BOARD APPROVAL

A report shall be submitted to the Board prior to authorizing an award in each of the following circumstances:

- a) where the term of a proposed contract is for a period greater than five (5) years, or where the renewal or extension of a contract would result in an aggregate term of greater than five (5) years;
- b) where a request for tender, or proposal has been issued under this policy and the award is not proposed to be made to the bidder submitting the lowest cost, responsive bid or where there is an informality or irregularity that cannot be resolved by the Bid Review Committee or Deputy Chief;
- c) where a request for proposal has been issued under this policy and the total cost of contract exceeds two million dollars (\$2,000,000); and
- d) where the purchase of any goods or services is not authorized by this policy.

12. PROCUREMENT AND CONTRACT DOCUMENTS

- a) To maintain consistency, the Senior Director or designate shall provide guidelines or templates on the structure, format and general content of procurement documentation.
- b) Procurement documentation shall avoid use of specific products or brand names.
- c) The use of standards in procurement documentation that have been certified, evaluated, qualified or verified by independent nationally recognized organizations such as, but not limited to, the Standards Council of Canada, shall be preferred.
- d) Senior Officers shall ensure specifications for any goods or services to be procured are set to allow for an open competitive process and provide best value to LPS.
- e) All substantive changes to standard clauses in competitive bid documents and agreements shall be reviewed and approved by the Director of Legal Services.

- f) The Senior Director or designate in conjunction with a Senior Officer from the requesting Division shall issue bid documents for goods or services.
- g) The Senior Director or designate shall give notice of the issuance of a competitive bid electronically by using an internet bidding system or any other means as appropriate.
- h) Where the purchase of goods or services has been authorized under this policy, a contract may be executed by the Chief or designate after input from the Director of Legal Services.

13. RENEWAL OF CONTRACTS

Where a contract provides for a renewal term, the Chief of Police or designate may exercise the option to renew and sign a contract extension, provided that:

- a) the total cost of the contract, including the renewal term, is within the purchasing authority of the Chief of Police, Deputy Chief or Senior Director, as set out in this policy;
- b) the contract was awarded in accordance with the procurement method applicable to the total cost, including any renewal term; and
- c) the contractor has performed the contract to the satisfaction of the Senior Director based upon written notice received from the Division Commander responsible for the goods or services.

14. EMERGENCY PURCHASES

- a) In the case of an emergency, as determined by the Chief of Police, or designate, the purchase of goods or services may be authorized without issuing a call for bids.
- b) The Senior Director, or designate, shall endeavor to obtain the best value for any goods or services purchased during an emergency, using as fair and transparent a process as is feasible having regard to the particular emergency.
- c) The Deputy Chief may authorize the purchase where the total cost does not exceed one hundred and fifty thousand dollars (\$150,000)
- d) The Chief of Police may authorize any purchase up to five hundred thousand dollars (\$500,000)
- e) As soon as practicable upon the conclusion of the emergency, the Chief of Police shall submit a report to the Board describing any emergency expenditures, if over five hundred thousand dollars (\$500,000).

15. DIRECT PURCHASES

Goods and services may be procured without issuing a call for bids or quotations in accordance with the following:

- a) the compatibility of a purchase with existing equipment, facilities or service is the paramount consideration, to avoid violating warranty/guarantee requirements or predetermined and approved specifications recommend only one "Single Source" supplier; or there is only one entity reasonably capable of providing the goods or services, this is considered a "Sole Source" supplier.
 - i. For goods or services valued over \$25,000, the Division Commander responsible for the area purchasing the goods or services must approve and submit a "Competitive Bidding Exemption form" to the Senior Director detailing the rationale for the decision. The Senior Director may award non-competitive purchases or contracts up to one hundred fifty thousand dollars (\$150,000)
 - ii. The Deputy Chief may award non-competitive purchases or contracts up to five hundred thousand dollars (\$500,000)
 - iii. The Chief of Police may award non-competitive purchases or contracts up to two million dollars (\$2,000,000)
- b) Only the Board may award contracts under Section 15 having a total cost over two million dollars (\$2,000,000).

16. CONTINGENCIES

- a) Where any purchase of goods or services has been authorized under this policy, the Senior Director or designate may, upon being satisfied that a contingency has arisen, authorize expenditures that exceed the originally approved contract amount, provided that any additional expenditure shall not exceed fifteen percent (15%) of the total cost of the contract at the time of award and further provided that the additional expenditures are required to complete the goods or services set out in the original contract.

17. SCOPE CHANGE/ADDITIONAL DELIVERABLES

- a) The Senior Director or designate may authorize the purchase of additional goods or services under a contract, provided that the Senior Director or designate is satisfied that a scope change necessitates the purchase of additional goods or services and:
 - i. the total cost of the additional goods or services does not exceed twenty percent (20%) of the total cost of the contract; or
 - ii. the total cost of the additional goods or services is to be paid in full by a third party and security to ensure payment has been provided to LPS, to the satisfaction of the Director of Financial Services, failing which the purchase of the additional goods or services shall be subject to approval of the Senior Director.

- b) If a scope change requires the extension or renewal of a contract, any extension or renewal of a contract that would result in a total contract term in excess of five (5) years shall be subject to approval of the Board.
- c) Any expenditure authorized under Section 17 b) of this policy may be made in addition to any expenditure for any contingency authorized under Section 16 of this policy and may be authorized by the Deputy Chief irrespective of the total amount of the expenditure.
- d) Despite Section 17 a) i) of this policy, the Chief of Police may authorize the purchase of additional good or services provided that:
 - i. the authorization to purchase the additional good or services is required to prevent interruption in service delay or to avoid incurring extra costs; and
 - ii. a request is submitted to the Chief of Police on a form prescribed by the Director of Financial Services.

18.CO-OPERATIVE PURCHASING

- a) The LPS may participate with other levels of government, municipalities, agencies or public authorities in co-operative purchasing where the Senior Director, or designate determines it is in the best interests of the LPS to do so, either by including other entities names and goods or services volumes in a call for bids issued by the LPS or requesting that the LPS be included and named in a call for bids issued by another entity, which should include LPS goods and services volumes.
- b) Where another level of government, municipality, agency, purchasing group or public authority has completed a competitive procurement and offers to extend to the LPS the same terms and pricing offered by the successful bidder, the LPS may enter into a contract with the successful bidder without issuing a further call for bids.
- c) Where the LPS participates with another government agency, purchasing group or public authority in cooperative purchasing, the LPS shall adhere to the policies of the agency calling the cooperative bid.
- d) Any contract proposed to be entered into as a result of co-operative purchasing shall be authorized in accordance with the authority limits set out in Section 8 of this policy.

19.UNSOLICITED PROPOSALS

- a) Where an unsolicited proposal is received by the LPS, the Senior Director, or designate may determine if the proposal shall be evaluated in accordance with Section 15 of this policy.
- b) If the Senior Director, or designate determines that the unsolicited proposal should be considered a direct purchase, the award may be made in accordance with Section 15 of this policy.

20. CONTRACTOR PERFORMANCE AND LITIGATION

- a) Unless otherwise permitted by this policy, no bid shall be accepted from, nor shall any contract be awarded to or an extension of contract be granted to any contractor or related party, as determined in the discretion of the Director of Legal Services, with whom the LPS or the Board is engaged in unresolved litigation.
- b) A bid may be accepted from, or a contract may be awarded to, or the extension of a contract granted to a contractor, or related party with whom the LPS or the Board is engaged in unresolved litigation in the following circumstances:
 - i. where there is only one qualified contractor and the Chief of Police has approved the award;
 - ii. in the case of an emergency;
 - iii. where there is a legal obligation on the part of the Board to enter into the contract;
 - iv. where the proposed contract is pursuant to the co-operative purchasing provisions of this policy or where another public agency will be party to the contract and has approved the award;
 - v. where the Board has been named as plaintiff or as a defendant pursuant to a subrogated interest and where, in the discretion of the Director of Legal Services, an appropriate arrangement has been made to indemnify the Board; or where the matter has been referred to alternative dispute resolution in a form or format approved by the Director of Legal Services and where an agreement has been entered into which adequately protects the Board's interests, as may be determined in the sole discretion of the Director of Legal Services.
- c) The Deputy Chief may accept the bid or award the contract, or approve the extension of the contract, provided that he or she is satisfied that it would be in the best interests of LPS, based on the consideration of factors including but not limited to the following:
 - i. the bidder's performance under previous contracts with LPS or the Board;
 - ii. LPS or the Board's claims history with the bidder; or
 - iii. an assessment of the overall risk performed by the Director of Legal Services and total cost in entering into a contract with the bidder.
- d) Senior Officers, or designates shall be responsible for monitoring the performance of contractors and documenting evidence of such performance and shall advise the Senior Director, or designate in writing where the performance of a contractor has failed to comply with the terms of the contract or other LPS requirements.
- e) The Senior Director, or designate may recommend, and after consideration of a recommendation, the Chief of Police may prohibit, a contractor from submitting a bid in response to a call for bids where the Chief of Police is satisfied that the contractor has demonstrated unsatisfactory performance under a contract with LPS or the Board.

- f) For the purpose of this Section 20, unsatisfactory performance means past performance by a contractor under a contract with LPS or the Board that is inconsistent with the expected standard of service delivery applicable in a commercial context, including, but not limited to:
 - i. consistent or significant failure to adhere to specified schedules or delivery requirements;
 - ii. consistent or significant failure to follow specified contract requirements or authorized directions;
 - iii. consistent or significant failure to perform the contract in accordance with generally accepted standards of good workmanship;
 - iv. consistent or significant failure to adhere to legislative requirements, including but not limited to applicable statutes, regulations and bylaws; or
 - v. dishonesty or criminal actions in relation to or within the scope of a LPS or Board contract.
- g) A report shall be submitted to the Chief of Police annually to advise of the disposition of any matter under this Section.

21. SURPLUS ASSETS

- a) Each Senior Officer, or designate shall submit to the Director, Financial Services reports of surplus assets, which have exceeded their useful or expected life or which are no longer required by LPS.
- b) The Director, Financial Services, or designate shall have the authority to dispose of surplus assets by any of the following means:
 - i. by transfer to a local municipality or another Ontario police service for nominal consideration;
 - ii. offered for sale by public auction or tender and sold to the highest bidder; or
 - iii. donated to a not-for-profit or community agency for a charitable or benevolent purpose.
- c) No member of LPS shall personally obtain any items that have been declared surplus unless through a public auction, as set out in subparagraph 21(b)(ii), above.
- d) A report shall be submitted by the Director, Financial Services annually to the Senior Director to advise of the sale or disposition of surplus assets under this Section.

22. REPORTS TO THE BOARD

In addition to any other reporting requirements, noted within this policy, the Chief shall ensure that a report to the Board is submitted as soon as practicable, upon signing a contract with a vendor to provide goods and/or services with a value equal to, or exceeding \$500,000.