

# DURHAM PURCHASING CO-OPERATIVE

WORKING TOGETHER SINCE 1994



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# DURHAM PURCHASING CO-OPERATIVE GROUP MEMBERS LISTING

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## FULL MEMBERS



**Clarington**



The Regional Municipality of Durham

The Corporation of the Town of Ajax



The Corporation of the Town of Clarington

The Corporation of the City of Oshawa



The Corporation of the City of Pickering

The Corporation of the Town of Whitby



University of Ontario Institute of Technology and

Durham College



The Durham District School Board

## ASSOCIATE MEMBERS

The Corporation of the Township of Brock

The Corporation of the Township of Uxbridge

The Corporation of the Township of Scugog

Lakeridge Health Corporation

Durham Region Non-Profit Housing Corporation

Municipal Property Assessment Corporation

# BACKGROUND AND INTRODUCTION TO THE DURHAM PURCHASING CO-OPERATIVE GROUP

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## DURHAM PURCHASING CO-OPERATIVE

The Durham Purchasing Co-operative Group was officially formed in 1994, although the Region of Durham and local area municipalities had actually participated in a number of co-operative tenders prior to the Group's formation. The Group itself is not a legal entity, and participation is voluntary in nature. However the member agencies have enthusiastically supported this initiative over the years. Duties such as chairing the regular meetings and administration of the actual bidding opportunities are shared among the Group members.

Since its formation, the Group has grown to now include 15 participating public agencies. Currently approximately 30 separate commodities are purchased co-operatively valued in excess of \$20,000,000 annually. The Group meets approximately nine times annually to discuss and coordinate the various bidding opportunities, discuss current purchasing practices, market trends and to occasionally host presentations of interest, such as from representatives of insurance or surety industries, or suppliers of new products or services. It should be noted that similar public purchasing co-operatives are in place throughout Ontario, each one operating in a similar fashion.

The Durham Purchasing Co-operative also maintains strong ties with other Purchasing Co-operatives in the GTA through participation in the GTA Purchasing Group. This Group was formed in the early 2000 for the purpose of exchanging ideas and information of common interest.

One of the keys to the success of the Group is our commitment to promote consistency, efficiency and a "best value" approach in the purchase of goods and services. To this end, two important documents were developed by the Group in 1994, and remain in place today. The first is the Durham Purchasing Co-operative Group Terms of Reference/Constitution. This document provides and maintains a common understanding of the purpose and objectives of the Group. The second document is the Standard Terms and Conditions, which is incorporated (with slight modification as appropriate) into each co-operatively called tender, quotation or request for proposal. This establishes common contract terms for each co-operative bid opportunity. Copies of both of these documents are included in this brochure.

### **Benefits of Co-operative Purchasing:**

There are a number of benefits realized by member agencies as well as by potential bidders. These are briefly summarized below:

#### 1. Information Sharing:

Through our joint participation, members have an opportunity to share information with each other relating to the various commodities being purchased. This is particularly useful when introducing new commodities for co-operative purchasing, since the host agency benefits from the knowledge from other agencies that have conducted their own bidding previously. Additionally, purchasing professionals from member agencies provide assistance and guidance to other members preparing documents or dealing with purchasing related matters.

#### 2. Opportunities for Standardization:

Opportunities for standardization of products may also be realized during the bid preparation phase. This is achieved by inviting and co-ordinating a working group of individual Municipal user departments to participate in the co-operative purchasing process.

#### 3. Administration of Bidding Processes:

Since one member agency consolidates the bidding processes on behalf of the other agencies, only one bidding document is issued, thereby reducing bidding administration overall. The consolidation of bidding documents also benefits potential bidders by eliminating preparation and submission of many individual bid documents in favour of a single document with standardized terms, conditions and specifications..

# BACKGROUND AND INTRODUCTION TO THE DURHAM PURCHASING CO-OPERATIVE GROUP

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## 4. Pricing Benefits:

Consolidating the individual members' requirements increases the volumes of items being purchased resulting in better prices than would be possible for many smaller sized tenders, quotes or requests for proposals.

### **Is Consolidation of Bidding Opportunities Always Beneficial?**

Certain conditions need to be present in order for consolidation of bidding requirements to be beneficial at the Durham Co-operative Purchasing level. Specifications for the products or services required must be similar in nature to create a pricing benefit. For example, information technology requirements are generally different for each agency resulting in different specifications for hardware, software, and vendor support services. Additionally, local maintenance and repair services required from qualified trades (electricians, plumbers, etc) or other firms specializing in repair or maintenance of equipment are also not good candidates for Region wide co-operative bidding, since each agency operates different buildings and equipment and may require different service levels and the areas requiring service are disbursed over a large geographic area. Therefore these types of requirements are not co-operatively purchased by the Group. Having noted that, the Group is always looking for potential new areas for co-operative purchasing, recognizing the overall benefits to the public agencies.

### **Evaluation of Bids and Award of Contracts:**

Procedures for the evaluation of bids are the responsibility of the host agency coordinating the bid call. The host agency's purchasing policies, procedures or bylaws will therefore apply to the evaluations of bids. Bids received are evaluated and awarded in consultation with the participating agencies. Contracts are issued by each participating agency in accordance with their agency's approval process..



# BACKGROUND AND INTRODUCTION TO THE DURHAM PURCHASING CO-OPERATIVE GROUP

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## Requirements for Bidding:

Actual requirements for bidding will be identified in the bid request documents. These include but are not limited to:

### 1. Mandatory Bidding Requirements:

Each bid request document stipulates certain mandatory bidding requirements. These will include proper execution of the bid documents without qualification, and identification of the official receiving location, and date/time deadline for the submission of the documents. Other requirements may include attendance at a mandatory pre-bid meeting or the submission of other documents such as bid or performance securities at the time that the bid is submitted. Bidders are therefore strongly advised to read the bid documentation thoroughly and become familiar with the host agency's purchasing policies, procedures or purchasing bylaw as applicable.

### 2. Scope of Work and Required Capabilities:

Bidders should ensure they fully understand the scope of work, (IE. required goods and services) identified in the bid documents. A thorough review of the document may result in questions which can be raised during the question submission period identified in the bid document. This is especially important for bid opportunities involving a high participation from the member agencies where services or deliveries of goods may have to be made to a number of agencies at the same time.

### 3. Clarifying Terms in the Bidding Documents:

Bidders have a responsibility to requested clarification of the documents prior to the closing time and date, or within the time allowed for inquiries as identified in the bid documents. Changes to the terms, conditions or specifications of a bid document will not be permitted after the bids have closed. To illustrate this, if a bidder has an alternative product or service that meets the functional requirements, but does not completely comply with the specifications of the document, a written request for modification of the specifications must be made before the bids close. Note that any changes to the document terms conditions or specifications are to be addressed n writing to the host agency. All approved changes will be confirmed in writing through an official addendum to the bid documents issued by the host agency and distributed to all registered document takers.

## How to Contact us:

A list of co-operatively purchased commodities and contact information is included in this brochure. General inquiries concerning the Durham Purchasing Co-operative Group may be directed to Jerry Barber, Manager, Purchasing Services, Municipality of Clarington, by phone (905) 623-3379, fax (905) 623-3330 or email at [jbarber@clarington.net](mailto:jbarber@clarington.net). Inquiries can also be made with any of the Purchasing offices listed in the member listing contained on page 2. Alternatively, contact information can be found by accessing each agency's website.



# DURHAM PURCHASING CO-OPERATIVE GROUP COMMODITY SCHEDULE

Commodity Description	Host Agency	Telephone Number	Ajax	Brock	Clarington	Durham College	Region	D Sc B	L H C	Oshawa	Pickering	Scugog	Uxbridge	Whitby	MPAC	Durham Housing
Natural Gas	Region of Durham	905-662-7711			X		X									
Stationery & Toner Supplies	Region of Durham	905-662-7711	X		X		H		X		X		X	X		
Asphalt, Hot & Cold Mix	City of Oshawa	905-436-5637	X		X		X			H	X			X		
Hardware & Safety	Region of Durham	905-662-7711			X		H	X		X	X		X	X		
Aggregate Road Materials Registry	Municipality of Clarington	905-623-3379	X		H		X			X	X			X		
Catch Basin Cleaning	City of Pickering	905-420-4660		X	X		X			X	H		X			
Paper, Copier	Town of Whitby	905-430-4300	X		X	X	X		X		X		X	H		
Salt Delivery	Region of Durham	905-662-7711	X		X		H			X	X		X	X		
Salt Supply	Region of Durham	905-662-7711	X	X	X		H			X	X		X	X		
Aerial Device Inspection & Testing	City of Oshawa	905-436-5637	X		X					H	X			X		
Calcium Chloride/Magnesium, Liquid-applied to Roads & Flake	Town of Whitby	905-430-4300	X		X		X			X	X			H		
Pumper Truck Inspection & Testing	City of Oshawa	905-436-5637	X		X					H	X			X		
Traffic Sign Requirements	Municipality of Clarington	905-623-3379	X		H		X			X	X			X		
Plow Blades & Hardware	City of Oshawa	905-436-5637	X		X		X			H	X			X		
Sign Hardware & Posts Requirements	Municipality of Clarington	905-623-3379	X		X		X			X	X			X		
Lamps & Ballasts	Durham District School Board	905-666-5500	X		X		X			X	X			X		

# DURHAM PURCHASING CO-OPERATIVE GROUP COMMODITY SCHEDULE

Commodity Description	Host Agency	Telephone No.	Ajax	Brock	Clarington	Durham College	Region	D Sc B	L H C	Oshawa	Pickering	Scugog	Uxbridge	Whitby	MPAC	Durham Housing
Armoured Car Services	Town of Whitby	905-430-4300			X	X	X	X	X	X	X			H		X
Granular A, Stockpiled	Region of Durham	905-662-7711					H				X	X				
Culvert	City of Pickering	905-420-4660			X		X			X	H	X		X		
Sand/Salt, Mixed, Supply and Delivery	Region of Durham	905-662-7711			X		H			X	X			X		
Winter Sand, Supply and Delivery	Region of Durham	905-662-7711			X		H			X	X			X		
Equipment Registry	UOIT	905-721-2000	X	X	X	H	X			X	X					
Janitorial Supplies	Municipality of Clarington	905-623-3379			H					X	X			X		
Tax Bill (Production, Printing & Mailing)	Town of Ajax	905-683-4550	H								X			X		
Propane Cylinders & Bulk	Region of Durham	905-662-7711 or 905-668-4113			X		H			X		X		X		
Pool Chemicals	Town of Ajax	905-683-4550	H		X					X	X			X		
Tires & Service	Region of Durham	905-662-7711 or 905-668-4113	X		X		H			X	X			X		
Gas & Diesel Fuel	Region of Durham	905-662-7711	X		X		H		X	X	X		X	X		
Heating Fuel Oil	Region of Durham	905-662-7711		X	X		H	X			X			X		
Shredding Services	Durham District School Board	905-666-5500	X		X		X	H		X	X			X		
Traffic Paint	Town of Ajax	905-683-4550	H		X		X			X						



# **TERMS OF REFERENCE / CONSTITUTION**

## **DURHAM PURCHASING CO-OPERATIVE**

### **1. FORMATION**

- 1.1 The participating Purchasing representative of the agencies listed below agree to engage in a co-operative purchasing group.

### **2. NAME**

- 2.1 The name of the group shall be The Durham Purchasing Co-operative (hereinafter referred to as The Group).

### **3. PURPOSE**

- 3.1 The purpose of The Group shall be to promote efficiency in the purchasing and materials management of goods and services by:
  - 3.2 Jointly calling tenders, proposals and/or quotations (hereinafter referred to as a "tender") for commonly-used items or by any other method agreed upon by majority resolution of The Group.
  - 3.3 Encouraging standardization of specifications for commonly used items.
  - 3.4 Exchanging market information.
  - 3.5 Promoting closer co-operation, exchange of information and interaction among Group members.

### **4. MEMBERSHIP <sup>5</sup>**

- 4.1 Membership shall be open to any agency operating within the Regional Municipality of Durham and supported by public funds such as health care institutions, educational institutions, government agencies and boards or commissions, subject to approval of The Group. The membership will consist of representatives from:

- .1 The Regional Municipality of Durham
- .2 The Corporation of the Town of Ajax
- .3 The Corporation of the Municipality of Clarington
- .4 The Corporation of the City of Oshawa
- .5 The Corporation of the City of Pickering
- .6 The Corporation of the Town of Whitby
- .7 The Corporation of the Township of Brock
- .8 The Corporation of the Township of Uxbridge
- .9 The Corporation of the Township of Scugog
- .10 The Durham District School Board #13 <sup>\*\*</sup>
- .11 Lakeridge Health Corporation<sup>2</sup>
- .12 Durham Region Non-Profit Housing Corporation<sup>3</sup>
- .13 University of Ontario Institute of Technology and Durham College<sup>6</sup>
- .14 Municipal Property Assessment Corporation <sup>9</sup>

- 4.2 Membership of the group will be comprised of Full Members and Associate Members as follows:

- .1 Full Member is defined as an agency that participates fully in the Co-operative by hosting bid solicitations, participates in one or more of the available contracts, is represented at meetings, volunteers to host meetings and exercises their voting rights.
- .2 Associate Member is defined as an agency that participates in the Co-operative by participating in one or more of the available contracts is represented at meetings and volunteers to host meetings. Associate Members do not have voting rights.

# **TERMS OF REFERENCE / CONSTITUTION**

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- 4.3 Each Full Member agency shall have one vote. <sup>10</sup>
- 4.4 Consideration will be given at any time to expanding the membership to include representatives of other agencies from within the geographic area of Durham Region.
- 4.5 The Expansion shall be agreed upon by majority resolution of Full Member agencies present at a regularly scheduled meeting. \* <sup>10</sup>
- 4.6 As agreed by majority resolution of Full Member agencies present at a regularly scheduled meeting, The Group may work in partnership arrangement with other purchasing co-operatives or publicly funded agencies for selected projects. \* <sup>10</sup>

## **5. ADMINISTRATION** <sup>8,10</sup>

- 5.1 For administrative purposes The Group shall include a Chairperson and Vice Chairperson to be elected every two years from among the membership; the election to be at a meeting in November of the second year with the newly-elected executive to take office in the following January and the duties of each director shall be:
  - .1 The Chairperson shall preside at the meetings of The Group; shall act as the procedural officer for the transaction of business; shall be empowered to establish or postpone meeting dates and conduct correspondence on behalf of The Group; and may appoint such committees, as are considered necessary. The Vice Chairperson shall in the absence of the Chairperson, preside at the meetings, act as the procedural officer for the transaction of business; shall be empowered to establish or postpone meeting dates and conduct correspondence on behalf of the Chairperson and other duties as assigned by the Chairperson.
  - .2 The Recording Secretary shall be a member of the agency hosting the co-operative meeting. Where the agency member is not available, an alternate Recording Secretary may provide this service.
  - .3 The Recording Secretary shall, at the request of the Chairperson of The Group, or at least three (3) members of The Group, issue notices of the meeting, listing the place, the time and, as fully as possible, the business to be transacted; shall keep the Minutes of the meetings, shall distribute such Minutes within two (2) weeks; and shall, at the direction of the Chairperson or The Group members, by resolution, attend to the correspondence.
  - .4 Where circumstances arise preventing the Chair and Vice Chair from attending a meeting, the Chair and/or Vice Chair may continue to request an alternate member to Chair the meeting until such time as a Member is available and agrees to do so.
  - .5 Where circumstances arise preventing the annual election to be held at the Group's meeting in November, the annual election shall be held at the Group's next available meeting date with the newly-elected executive to take office the next month, to be effective for a full year term. <sup>10</sup>
  - .6 A Full Member who is not available to attend the meeting when the election is being held may vote by proxy. The proxy vote shall be presented to the Group at the meeting for consideration. <sup>10</sup>

## **6. ELECTION PROCEDURE**

### 6.1 Call for Nominations

At the September meeting prior to the conclusion of a term, the outgoing Chair shall issue a call for nominations for the election of an incoming Chair and Vice Chair. Any Full Member may nominate another Full Member for consideration as a candidate in the election. Self-nominations are also acceptable. Names of the nominee(s) must be forwarded to the outgoing Chair via e-mail prior to the subsequent meeting in October.

- 6.2 Following the call for nominations, the Chair shall appoint an Elections Officer or may undertake this role him/herself if not running for one of the positions.

# **TERMS OF REFERENCE / CONSTITUTION**

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## **DURHAM PURCHASING CO-OPERATIVE**

### 6.2 Ballot Certification

At the conclusion of the October meeting, the outgoing Chair shall table a list of nominees for the positions of incoming Chair and Vice Chair. The outgoing Chair shall ask the nominees whether they intend to run for office. Nominees may choose to either stand for election or withdraw their nomination. The total number of nominees who stand for election will compose the final ballot.

### 6.3 Election Process

The election of incoming Chair and Vice Chair shall be held at the subsequent November meeting. It is the Elections Officer's responsibility to create a ballot for the election of the incoming Chair and Vice Chair. The ballot shall contain the names of all candidates which are to be listed alphabetically by last name under the appropriate office to which they seek election. As the last order of business at the meeting, the following election process shall be followed:

- .1 The Elections Officer shall distribute the ballots to all voters (only Full Members are eligible to vote)
- .2 Voters shall clearly and legibly circle the name of one candidate for Chair and one for Vice Chair ensuring not to disclose or make public the way in which they voted.
- .3 Voters shall fold the ballots and insert them into the ballot box.
- .4 When all voters have cast their ballots (and when all proxy ballots have been cast – see 6.4 below), the Elections Officer shall count the number of votes for each candidate ensuring not to disclose or make public the total number of votes received by any one candidate.
- .5 When all ballots have been counted, the Elections Officer shall declare the winners and make a record of such in the minutes. Both the declaration and the notation in the minutes are to reflect the names of the Chair-elect and Vice Chair-elect but not the total number of votes cast for each candidate.
- .6 It is the responsibility of the Elections Officer to ensure the confidentiality of the election and coordinate the destruction of the ballots.

### 6.4 Proxy Voting

Full Member managers who cannot attend the election are permitted to submit their vote by way of proxy. In order to do so, they must forward their selections for incoming Chair and Vice Chair to the Elections Officer by way of e-mail prior to the November election meeting. At the November meeting, the Elections Officer will mark a ballot for each proxy vote received in the manner with which the proxy voter had intended. Each ballot shall be folded and inserted into the ballot box by the Elections Officer and are to be counted in the same fashion as those cast by voters attending the meeting. See Appendix "A" – Sample Proxy.

## **7. QUORUM**

Deleted \*

## **8. MEETING PLACE**

- 8.1 A permanent meeting place for The Group shall not be established, it being the intent that members act as the hosts for meetings of The Group, either in rotation or as convenient.

## **9. MEETINGS**

- 9.1 Meetings of The Group shall be held monthly or as often as The Group members collectively shall decide.

# **TERMS OF REFERENCE / CONSTITUTION**

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- 9.2 At the discretion of the Chair or upon request by three members of The Group, meetings can be called to discuss matters of urgency. In circumstances where there is no business to conduct, the Chair is empowered to cancel or reschedule meetings as required. \*

## **10. PRINCIPLES**

- 10.1 To carry out the aims and objectives of The Group it shall be understood that a major function will be co-operative purchasing as a means of reducing costs of goods and services by permitting purchasing in larger volumes and at lower unit prices; and by avoiding possible duplication of effort.

## **11. TERMS OF REFERENCE** <sup>10,</sup>

- 11.1 The following terms shall apply to the Group's programme for co-operative purchasing ventures:
- .1 The Durham Purchasing Co-operative shall endeavour to acquire commodities and services at the lowest cost/ best value without discrimination or favouritism consistent with the application of the highest standards of purchasing and business ethics;
  - .2 Only those goods and services that lend themselves to cost reduction because of volume and/or methods will be considered;
  - .3 It is understood that the interests of the representative's agency will at all times govern an individual decision whether or not to take part in a particular tender prior to the tender being released;
  - .4 No one member of The Group shall be responsible for calling all co-op tenders. Each member agency with dedicated Purchasing staff shall endeavour to undertake to host tenders on a ratio of up to 1:1 (buyers/ analysts, excluding managers or equivalent, to hosted tenders) as required to accommodate the number of co-op projects. At a minimum each defined agency shall host one tender. Agency, for the purpose of this clause will be defined as a member agency with dedicated Purchasing staff and a Purchasing By-Law or set of policies in place to govern the public procurement process. Agencies as defined in Section 4.1 without dedicated Purchasing staff will not be required to host tenders, but may do so on a voluntary basis, provided they operate under a Purchasing By-Law or established policy embracing best practices for public sector procurement;
  - .5 It is recognized that, having regard to the various policies and procedures governing the purchasing for the participating agencies, the specific policy applying to the "calling agency" shall govern, except that, where competitive bidding opportunities exist and, the total combined value exceeds \$100,000.00 or the total combined value exceeds the tendering limits for the calling agency, public tenders or proposals shall be called and advertised in accordance with the provisions of the Ontario-Quebec Trade Agreement; \*\*\*
  - .6 The control of ordering, receiving and paying for co-operatively tendered items will remain the responsibility of the individual agency for its portion of the co-operative tender total;
  - .7 Tenders will be issued, as far as possible, in a document form agreed upon by The Group as to conditions, and it is understood that individual specifications, delivery points, terms of payment, may vary;
  - .8 Once the Group has agreed to issue a particular tender call invitation in accordance with the purchasing co-operative procedures it will be expected that the participating members will remain committed to the tender call. The award, however will be subject to the respective agencies' approval;
  - .9 Members who do not wish to participate in a tender call will, whenever possible, so signify to the calling agency. The calling agency will report to the Recording Secretary noting the member agencies that will/will not be participating in each tender call;
  - .10 All participating members will be expected to accept, and abide by, the decision concerning the structure/ format of the tender for each commodity/requirement;

# **TERMS OF REFERENCE / CONSTITUTION**

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## **DURHAM PURCHASING CO-OPERATIVE**

- .11 A member agency of The Group may, by two thirds (2/3) majority vote of the Full Member agencies present at a regularly scheduled meeting, have their membership terminated after an appropriate advanced warning, if they fail to follow the guidelines of this document or fail to actively participate in the co-operative. \*

### **12. AMENDMENTS**<sup>10</sup>

- 12.1 Any amendments to these Terms of Reference must be adopted by a two-thirds (2/3) majority of the member agencies present at a regularly scheduled meeting. All member agencies will be advised of any such proposed amendments prior to the meeting. \*

### **13. CONCLUSION**

- 13.1 The Group membership shall at all times be recognized as being voluntary in nature and beneficial in practice for achieving effectiveness and efficiency in the best interests of purchasing for the member agencies.

## ***TERMS OF REFERENCE / CONSTITUTION***

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Drafted - June 1994

Adopted - September 22, 1994

Amended - January 12, 1995

\* Amended – January 18, 1996

\*\* Amended – February 15, 1996

\*\*\* Amended – May 15, 1997

1. Amended – January 15, 1998 (formerly Durham Board of Education)
2. Amended – February 26, 1998 (replaced by end-note #4)
3. Amended – June 18, 1998
4. Amended – May 17, 1999 (formerly Memorial Hospital Bowmanville)
5. Amended – April 19, 2001
6. Amended – September 20, 2001 (formerly Durham College)
7. Amended – February 17, 2005
8. Amended – November 17, 2006 (5.1)
9. Amended – November 15, 2007
10. Amended – April 20, 2011.

# TERMS OF REFERENCE / CONSTITUTION

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## Schedule "A"

### THE DURHAM PURCHASING CO-OPERATIVE

#### PROXY FORM

The undersigned Full Member of Durham Purchasing Co-Operative hereby appoints the Elections Officer Bi-Annual Election Meeting to which this proxy relates, or instead of and to the exclusion of the foregoing, \_\_\_\_\_, a Full Member in good standing, as nominee, to attend, act and vote for the undersigned at the November Meeting of the Co-operative to be held on November \_\_, 2012 in the following manner:

1. To vote for the positions of Chair and Vice Chair which may properly be put before the meeting as per following direction:

For the position of Chair: \_\_\_\_\_

For the position of Vice Chair: \_\_\_\_\_

DATED the \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signature of Member \_\_\_\_\_

Print Name \_\_\_\_\_

Member Agency: \_\_\_\_\_

Proxies must be received by the Elections Officer of the Co-operative, , email: \_\_\_\_\_ (email address), by 12:00:00 noon Local time on Wednesday, November \_\_, 2012.

# DURHAM PURCHASING CO-OPERATIVE STANDARD TERMS AND CONDITIONS

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## 1. DEFINITIONS

Addendum, Addenda – A formal change(s) to the Bid Document issued by the Calling Agency requiring an acknowledgement of the addenda or addendum by the Bidder.

Agency -The member organization specified herein that is participating in this Durham Purchasing Co-operative purchase.

Award – The selection of a Bidder and their Goods/Services as accepted by the Group.

Bid or Bid Submission - An offer by a Bidder in response to the bid document issued by the Agency.

Bid Document - The Request for Quotation, Tender or Proposal issued by the Calling Agency that states all agencies requirements.

Bidder - The person, firm or corporation submitting a Bid to the Agency.

Calling Agency - The member Agency within the Durham Purchasing Co-operative responsible for issuing the Bid Document on behalf of the Group.

Company - The person, contractor, firm or corporation to whom the Agency has awarded the Contract, its successors and assigns.

Contract – A binding agreement between two or more parties that creates an obligation to provide a particular Good/Service.

Durham Purchasing Co-operative – Is an assembly of Agencies operating within the Regional Municipality of Durham and supported by public funds.

Goods/Services - All labour, materials, products, articles, fixtures, services, supplies, and acts required to be done, furnished or performed by the Company, as specified in the Contract.

Group – One or more members of the Durham Purchasing Co-operative.

Member – Any publically funded Agency with membership in the Durham Purchasing Co-operative.

Subcontractor - A person, firm or corporation having a Contract with the Company for, or any part of, the Goods/Services.

Work - All labour, materials, products, articles, fixtures, services, supplies, and acts required to be done, furnished or performed by the Company, as specified in the Contract.

## 2. BID DOCUMENT ORDER OF PRECEDENCE

Bidding or Contract terms, instructions and conditions identified elsewhere in the Bid Document shall take precedence to these Standard Terms & Conditions. If any term, instruction, or condition contained in these Standard Terms and Conditions contradicts a term, instruction or condition defined elsewhere in the Bid Document, those contained elsewhere shall take precedence. Addenda shall take precedence over the original Bid Document in order of the most recent date issued.

## 3. CLARIFICATION OF THE BID DOCUMENT

It will be the Bidder's responsibility to clarify any details in question before submitting a Bid. Any clarification of the Bid Document required by the Bidder prior to submission of its Bid shall be requested in writing through the Calling Agency's contact as identified in the Bid Document.

Every notice, advice or other communication pertaining to the Bid Document will be in the form of a written Addendum.



# DURHAM PURCHASING CO-OPERATIVE

## STANDARD TERMS AND CONDITIONS

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Addenda issued to Bidders, shall become part of the Bid Documents, and all Bids shall include the Work described in the Addenda. No officer, agent or employee of the Group is authorized to orally alter any portion of the Bid Document.

### 4. BID SUBMISSION

The Calling Agency's Purchasing By-law, procedures, and/or policies will apply for the calling, receiving, and opening of Bids, as well as dealing with any Bid irregularities found.

The Bid Submission must be submitted on the form(s) supplied by the Calling Agency unless otherwise provided for within the Bid Document.

The Bid Submission must be signed by a designated signing officer of the Bidder, with authority to bind the Company. If a joint Bid is submitted, it must be signed on behalf of each of the Bidders.

The Bid Submission must be legible, written in ink, or typewritten. Any form of erasure, strikeout or over-writing must be initialled by the Bidder's authorized signing officer.

The Bid Submission must not be restricted by a covering letter, a statement added, or by alterations to the Bid Document.

Where applicable, failure to return a Bid on an invitation may result in the removal of the Bidder from the Calling Agency's Bidder's list.

A Bid Submission received after the closing date and time will not be considered and will be returned, unopened according to the Calling Agency's procedures.

Should a dispute arise, related to the terms and conditions or any part of the Bid Document, regarding meaning, intent or ambiguity, the decision of the Calling Agency shall be final.

### 5. PROJECT SITE WORKING CONDITIONS

The Company shall carefully examine the site and existing building and services affecting the proper execution of the Work, and obtain a clear and comprehensive knowledge of the existing conditions. No claim for extra payment will be allowed for Work or difficulties encountered due to conditions of the site which were visible or reasonably inferable, prior to the date of Bid Submission. Bidders shall accept sole responsibility for any error or neglect on their part in this respect.

### 6. DELIVERY

Unless otherwise stated, the Goods/Services specified in the Bid Document shall be delivered or completely performed by the Company as soon as possible, or within the period set out herein, as the guaranteed period of delivery or completion as agreed to in the Bid Document.

A detailed delivery ticket or piece tally, showing the exact quantity of goods, materials, articles or equipment, shall accompany each delivery. Receiving by a foreperson, storekeeper or other such receiver shall not bind the Agency to accept the Goods/Services covered thereby, or the particulars of the delivery ticket or piece tally. Goods/Services shall be subject to further inspection and approval by each Agency.

The Company shall be responsible for providing the Goods/Services so that completion shall be as specified in the Contract. Time shall be of the essence of the Contract.

### 7. PRICING

Prices shall be in Canadian Funds, quoted separately for each item stipulated, F.O.B. destination.

Prices Bid must include all incidental costs and the Company shall be deemed to be satisfied as to the full requirements of the Bid Document. No claims for extra Work will be entertained and any additional Work must be authorized in writing prior to

# DURHAM PURCHASING CO-OPERATIVE

## STANDARD TERMS AND CONDITIONS

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commencement. Should the Company require more information or clarification on any point, it must be obtained prior to the submission of the Bid.

Payment shall be full compensation for all costs related to the Goods/Services, including operating and overhead costs to provide Goods/Services to the satisfaction of the Agency.

All prices quoted shall include applicable customs duty, excise tax, freight, insurance, and all other charges of every kind attributable to the Goods/Services. Harmonized Sales Tax (HST) is extra and shall be shown separately, unless otherwise specified herein.

Should any additional tax, duty or any variation in any tax or duty as imposed by the Government of Canada or the Province of Ontario become directly applicable to Goods/Services specified in the Bid Document subsequent to its submission by the Bidder and before the delivery of the Goods/Services, the appropriate increase or decrease in the price shall be made to compensate for such changes as of the effective date.

The Company shall be responsible for the collection and remittance of all applicable taxes, and agrees to hold the Group harmless in this regard.

### 8. QUANTITIES

Unless otherwise specified herein, quantities are shown as approximate and are not guaranteed to be accurate, are furnished without any liability on behalf of the Group, and shall be used as a basis for comparison only.

Payment will be based on actual quantities of Goods/Services received and accepted by each agency at the unit prices as Bid.

### 9. PATENTS AND COPYRIGHTS

The Company shall, at its expense, defend all claims, actions or proceedings against the Agency or Group based on any allegations that the Goods/Services or any part of the Goods/Services constitutes an infringement of any patent, copyright or other proprietary right, and shall pay to the Agency or Group all costs, damages, charges and expenses, including its lawyers' fees on a solicitor and his own client basis occasioned to the Agency or Group by reason thereof.

The Company shall pay all royalties and patent license fees required for the Goods/Service.

If the Goods/Services or any part thereof is in any action or proceeding held to constitute an infringement, the Company shall forthwith either secure for the Agency or Group the right to continue using the Goods/Services or shall at the Company's expense, replace the infringing Goods/Service with non-infringing Goods/Services or modify it so that the Goods/Services no longer infringes.

### 10. ALTERNATES/EQUIVALENCY

Any Bid Submission proposing an alternate will not be considered unless otherwise specifically called for in the Bid Document. Any opinion with regard to the use of a proposed alternate and its equivalency, will be as determined by the Group and the decision shall be final.

### 11. SAMPLES

Upon request, samples must be submitted strictly in accordance with instructions. If samples are requested subsequent to opening of Bids, they shall be delivered within three (3) working days following such request, unless additional time is granted. Samples must be submitted free of charge and will be returned at the Bidder's expense, upon request, provided they have not been destroyed by tests, or are not required for comparison purposes.

The acceptance of samples by the Agency shall be at its sole discretion and any such acceptance shall in no way be construed to imply relief of the Company from its obligations under the Contract. Samples submitted must be accompanied by current Material Safety Data Sheets (MSDS) where applicable.

# DURHAM PURCHASING CO-OPERATIVE STANDARD TERMS AND CONDITIONS

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## 12. ASSIGNMENT AND SUBCONTRACTING

The Company shall not assign the Contract (or any portion of it) without the prior written consent of the Group.

It is understood and agreed that the Bidder will be an independent Company and that all Works will be performed by the employees or agents of the Company. Subcontracting agreements made by the Company will not release the Company from any obligation to the Group with respect to the performance of the Contract.

Joint or consortium Bids must have one prime Company who will be responsible for overall project success, provide one point of Contact and a single billing point. The Group shall not be responsible for payment to the Company's partners, Subcontractors or suppliers in the event the prime Company defaults on its responsibilities. The prime Company must communicate such to its partners, Subcontractors and suppliers. The prime Company must also provide the Group with a written statement outlining the functional components that the Subcontractor(s) will be offering. The Group must grant prior written approval, in its sole and unfettered discretion, for any assignment and all Subcontractors.

## 13. WORKPLACE SAFETY AND INSURANCE BOARD

The Durham Purchasing Cooperative Group requires all Companies who provide labour and installation services on any of the Agencies owned properties, as part of the Contract, to be in full compliance with all requirements imposed upon them by the Workplace Safety Insurance Board (WSIB).

Therefore, all of the Company's personnel must be covered by the insurance plan under the Workplace Safety and Insurance Act, 1997.

Upon request by the Calling Agency, a Certificate of Clearance from the WSIB, shall be provided prior to the commencement of Work indicating that all payments by the Company to the Board have been made.

Clearance certificates shall be renewed by the Company every sixty (60) days (minimum) and submitted automatically and routinely to the Group throughout the period of the Contract.

Prior to final payment, a Certificate of Clearance must be issued indicating all payments by the Company to the Board in conjunction with the subject Contract have been made and that the Agency will not be liable to the Board for future payments in connection with the Company's fulfilment of the Contract.

For Independent Operators who have elected not to have WSIB coverage, the following shall be provided upon request by the Calling Agency:

- a letter from the WSIB confirming Independent Operator status;
- and evidence of having obtained WSIB optional Insurance.

The Calling Agency has the right to reject any Bid it deems to have not provided sufficient WSIB coverage.

The Company will ensure that any and all Subcontractors also have valid WSIB coverage.

## 14. INSURANCE

The Company shall maintain and pay for Comprehensive General Liability (CGL) insurance including premises and all operations. This insurance coverage shall be subject to limits of not less than \$3,000,000.00 inclusive per occurrence for third party Bodily Injury and Property Damage or such other coverage or amount as may be requested.

The Company shall maintain and pay for Automobile Liability insurance in respect of licensed vehicles and shall have limits of not less than \$2,000,000.00 inclusive per occurrence covering all licensed vehicles owned or leased by the Company.

The CGL policy shall include the Agency as additional insured in respect of all operations performed by or on behalf of the Company. A certified copy of such policy or certificate shall be provided to the respective participant prior to commencement of the Work. Further certified copies shall be provided upon request.

# DURHAM PURCHASING CO-OPERATIVE

## STANDARD TERMS AND CONDITIONS

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The Policies shall be endorsed to provide that the Agency is to receive not less than 30 days notice in writing in advance of any cancellation, material amendment, or change restricting coverage. Written notice shall be personally delivered to or sent by registered mail to the Agency.

The Company will ensure that any and all Subcontractors also have valid Insurance coverage.

### 15. LAWS AND REGULATIONS

The Company shall comply with all relevant Federal, Provincial and Municipal statutes, regulations and by-laws pertaining to the Work and the performance of the Contract. The Company shall be responsible for ensuring similar compliance by suppliers and Subcontractors.

The Contract shall be governed by and interpreted in accordance with the laws of the Province of Ontario.

### 16. SURETY

The successful Bidder shall, if the Group in its absolute discretion so desires, be required to satisfy surety requirements by providing a deposit in the form of a certified cheque, bank draft or money order or other form of acceptable surety, in an amount determined by the Group. This surety may be held by the Group until 60 days after the day on which all Goods/Services covered by the Contract has been completed and accepted. The surety may be returned before the 60 days have elapsed providing satisfactory evidence is provided that all liabilities incurred by the Company in carrying out the Goods/Services have expired or have been satisfied and that a Certificate of Clearance from the Workers' Compensation Board has been received.

The Company shall, if the Group in its absolute discretion so desires, be required to satisfy fidelity bonding requirements by providing such bonding in an amount and form determined by the Group.

Failure to furnish required surety within two weeks from date of request thereof by the Group shall make the Award of the Contract subject to withdrawal.

### 17. LIABILITY

The Company agrees to defend, fully indemnify and save harmless the Group from all actions, suits, claims, demands, losses, costs, charges and expenses whatsoever for all damage or injury including death to any person and all damage to any property which may arise directly or indirectly by reason of a requirement of the Contract, save and except for damage caused by the negligence of the Group or its employees.

The Company agrees to defend, fully indemnify and save harmless the Group from any and all charges, fines, penalties and costs that may be incurred or paid by the Group if the Agency and Group or any of its employees shall be made a party to any charge under the Occupational Health and Safety Act in relation to any violation of the Act arising out of this Contract.

### 18. HEALTH & SAFETY

Without limiting the generalities of Clause 15 Laws and Regulation, the Company shall satisfy all statutory requirements imposed by the Occupational Health and Safety Act and Regulations made thereunder, on a contractor, a constructor and/or Employer with respect to or arising out of the performance of the Company's obligations under this Contract.

The Company shall be aware of, and conform to, all governing regulations including those established by each Agency's relating to employee health and safety. The Company shall keep employees and Subcontractors informed of such regulations.

When requested by the Agency, a copy of the Company's Health & Safety Policy shall be provided.

The Company must comply with requirements of Workplace Hazardous Materials Information System (WHMIS) regarding use, handling, storage, and disposal of hazardous materials; and regarding labeling and provision of material safety data sheets acceptable to Human Resources Canada and Health and Welfare Canada.

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Companies are required to keep copies of Material Safety Data Sheets for all hazardous materials on site and make available to anyone "working with" and/or "in proximity to" the hazardous material.

### 19. PROOF OF ABILITY

1. The Bidder may be required to show, in terms of experience and facilities, evidence of its ability to successfully complete the work, as well as that of any proposed Subcontractor, to successfully complete the Work. In order to be considered for Award of a Contract, a Bidder must be deemed by the Group to:

- Be responsible and not be suspended, debarred or in default of any obligation to the Group;
- Be financially capable of carrying out the terms of the Contract;
- Have all of the necessary experience, capital, organization, and equipment to perform the Work in strict accordance with the terms and provisions of the Contract;
- Have successfully carried out Work similar in nature, scope and value;
- Employ only Subcontractors who have successfully carried out Work of similar nature, scope and value to the portion of Work proposed to be subcontracted to them, and who are fully capable of performing Work required to be done in accordance with the terms and conditions of the Contract; and
- Be in compliance with all municipal, provincial and federal laws and regulations.

2. The Group reserves the right to reject the Bid of any Bidder:

- Whose previous Contract with the Group had been terminated and cannot provide assurances and demonstrate appropriate action to ensure the same or similar problems will not reoccur,
- Who has failed to rectify the performance of any previous Contract default to the Group's satisfaction and cannot provide assurances and demonstrate appropriate action to ensure the same or similar problems will not reoccur.

3. The Group reserves the right to contact the references provided in a Bid Submission to confirm the Bidder's experience, ability and performance. If any of the references contacted confirm that the reference information provided by the Bidder is substantially inaccurate, or confirm that the Bidder was terminated from a Contract due to default, or failed to meet the performance requirements for similar Work, Goods or Services, the Group reserves the right to reject the Bid. The Group's decision in this regard is final.

### 20. AWARD

The Group will be responsible for evaluating Bid Submissions. Each Agency will Award its own Contract based upon its own requirements, and Award and administer the Contract in accordance with its respective procedures.

The Group reserves the right to Award by item, or part thereof, groups of items, or parts thereof, or all items of the Bids and to Award Contracts to one or more Bidders submitting identical Bids as to price; to accept or reject any Bids in whole or in part; to waive irregularities and omissions, if in so doing, the best interests of the Group will be served. No liability shall accrue to any Agency or the Group for its decision in this regard.

Bid Submissions shall be irrevocable for 90 days, unless otherwise specified in the Bid Document after the official closing time.

The notice of Award placed in the mail or delivered to the Bidder's address shown in their Bid Submission shall constitute notice of acceptance of the Contract by that Agency to the extent described in the notice of Award.

### 21. CONTRACT

The Bid Submission, as accepted by the Group, becomes part of the Contract. None of the conditions contained in the Bidders

# DURHAM PURCHASING CO-OPERATIVE

## STANDARD TERMS AND CONDITIONS

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own standard or general conditions of sale shall be of any effect unless explicitly agreed to by the Group in writing.

The Company shall be bound to execute the Contract agreement and to provide to the Group all documents, certificates, etc., as detailed in the Bid Document.

### 22. SUPPLIER PERFORMANCE EVALUATION

The Calling Agency will be responsible for initiating a Performance Evaluation prior to any Contract renewal or expiry date.

Prior to the Contract renewal dates, all participating Agencies will complete a Performance Evaluation Form, providing feedback related to the Company's performance of the Contract.

Suppliers will be evaluated based on, but not limited to the following:

- Quality of Goods/Services provided
- Compliance with Contract specifications, terms & conditions
- Communication (Responsiveness)
- Billing Accuracy

The combined results of the Performance Evaluation shall be used to determine whether or not the Company is;

- considered for renewal of a Contract with the Group,
- considered for Award of any subsequent Contract opportunities.

Throughout the life of the Contract, each participating Agency shall communicate any performance issues/concerns, to the Company and provide copies to the Calling Agency.

Persistent Performance issues may result in an immediate Contract Performance Evaluation by all participating Agencies to determine if Contract suspension or termination is necessary.

Companies whose previous Contracts were terminated due to poor performance shall be considered for subsequent Contract Awards, only if they can show proof, through a minimum of three references for similar work, that they have overcome their performance issues of the past Contract. The Group's decision in this regard shall be final. The results of any Performance Evaluation may be disclosed to other Municipalities or government bodies upon request, where it can be demonstrated that the Company has listed any of the participating Agencies as a Work reference.

### 23. SUSPENSION OF WORK

The Agency may, without invalidating the Contract, suspend performance by the Company from time to time of any part or all of the Work for such reasonable period of time as the Agency may determine.

The resumption and completion of Work after the suspension shall be governed by the schedule established by the Group.

### 24. CHANGES IN THE WORK

The Agency may, without invalidating the Contract, direct the Company to make changes to the Work. When a change causes an increase or decrease in the Work, the Contract price shall be increased or decreased by the application of unit prices to the quantum of such increase or decrease, or in the absence of applicable unit prices, by an amount to be agreed upon between the Agency and the Company. All such changes shall be in writing and approved by the Agency.

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## STANDARD TERMS AND CONDITIONS

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### 25. CONTRACT CANCELLATION

The Agency shall have the right, which may be exercised from time to time, to cancel any uncompleted or unperformed portion of the Work or part thereof. In the event of such cancellation, the Agency and the Company may negotiate a settlement. The Agency shall not be liable to the Company for loss of anticipated profit on the cancelled portion or portions of the Work.

### 26. TERMS OF PAYMENT

Payment will be made 30 days after delivery of the Goods/Services, pursuant to the Company submitting an invoice, Contract requirements being completed and Work being deemed satisfactory to the Agency.

Late invoice payment fees/charges, of any kind, will not be paid or considered by any of the Agencies.

Payments made hereunder, including final payment shall not relieve the Company from its obligations or liabilities under the Contract.

Acceptance by the Company of the final payment shall constitute a waiver of claims by the Company against the Agency, except those previously made in writing in accordance with the Contract and still unsettled.

The Agency shall have the right to withhold from any sum otherwise payable to the Company such amount as may be sufficient to remedy any defect or deficiency in the Work, pending correction of the Work.

Where required by the Construction Lien Act appropriate monies may be held back after the completion of the Work.

### 27. UNPAID ACCOUNTS

The Company shall indemnify the Agency and Group from all claims arising out of unpaid accounts relating to the Goods/Services. The Agency shall have the right at any time to require satisfactory evidence that the Work in respect of which any payment has been made or is to be made by the Group is free and clear of liens, attachments, claims, demands, charges or other encumbrances.

### 28. CORRECTION OF DEFECTS

If at any time prior to one year after the actual delivery date or completion of the Work (or other such warranty period specified in the Bid Document) any part of the Work becomes defective or is deficient or fails due to defect in design, material or workmanship, or otherwise fails to meet the requirements of the Contract, the Company, upon request, shall make good every such defect, deficiency or failure without cost to the Agency.

The Company shall pay all transportation costs for Work both ways between the Company's factory or repair depot and the point of use.

### 29. DEFAULT BY COMPANY

a. If the Company: commits any act of bankruptcy; or if a receiver is appointed on account of its insolvency or in respect of any of its property; or if the Company makes a general assignment for the benefit of its creditors; then, in any such case, the Agency may, without notice: terminate the Contract.

b. If the Company: fails to comply with any request, instruction or order of the Agency; or fails to pay its accounts; or fails to comply with or persistently disregard statutes, regulations, by-laws or directives of relevant authorities relating to the Work; or fails to prosecute the Work with skill and diligence; or assigns or sublets the Contract or any portion thereof without the Agency's prior written consent; or refuses to correct defective Work; or is otherwise in default in carrying out its part of any of the terms, conditions and obligations of the Contract, then, in any such case, the Agency may, upon expiration of ten days from the date of written notice to the Company, terminate the Contract.

c. Any termination of the Contract by the Agency, as aforesaid, shall be without prejudice to any other rights or remedies the

# DURHAM PURCHASING CO-OPERATIVE STANDARD TERMS AND CONDITIONS

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Agency or Group may have.

d. If the Agency terminates the Contract, it is entitled to:

- i) take possession of all Work in progress, materials and construction equipment then at the project site (at no additional charge for the retention or use of the construction equipment), and finish the Work by whatever means the Agency may deem appropriate under the circumstances;
- ii) withhold any further payments to the Company until the completion of the Work and the expiry of all obligations under the Correction of Defects section;
- iii) recover from the Company loss, damage and expense incurred by the Agency by reason of the Company's default (which may be deducted from any monies due or becoming due to the Company, any balance to be paid by the Company to the Agency).

## **30. NON-PERFORMANCE**

Each Agency reserves the right to determine, in its sole and unfettered discretion, non-performance of the Contract, including the level of quality of Goods/ Services provided and further reserves the right to cancel any or all, of the Contract.

In the event the Company has failed or neglected to comply with any condition set out in the Contract, the Contract may be unconditionally cancelled by the Agency without notice. The Agency's evaluation and determination in this regard shall be final.

## **31. MUNICIPAL FREEDOM OF INFORMATION & PROTECTION OF PRIVACY**

All Bid Submissions, documentation and information provided to the Calling Agency by Bidders in connection with, or arising from the Bid Submission and/or subsequent Contract shall become the property of the Calling Agency, and as such are subject to requests under the Municipal Freedom of Information and Protection of Privacy Act. Accordingly, Bidders are requested to identify any information in their Bid Submission that, if disclosed, could cause them injury. The Calling Agency will make every effort to maintain the confidentiality of such information, but Bidders must be aware that the information may become public through a request for information under the Act. The Calling Agency shall not be liable if any such confidential information becomes public or is disclosed. Bidders may not identify their entire Bid Submission as "Confidential". Such a notation may be considered as grounds for disqualification.



<b>DURHAM PURCHASING COOPERATIVE PROCEDURE</b>	
<b>Subject:</b> Bid Document Development/Preparation /Evaluation & Contract Award	<b>No.:</b> DPC-1
	<b>Issue Date:</b> November 18, 2010
<b>Prepared By:</b> Carol Lyon	<b>Approved By:</b> Chair

**1. DESCRIPTION OF PROCEDURE:**

To provide instructions and the procedures required for the development, preparation, evaluation and Contract award recommendations, on behalf of the Durham Purchasing Cooperative Group.

**2. DEFINITIONS:**

**Agency:** The member organization specified herein that is participating in a Durham Purchasing Co-operative (DPC) purchase.

**Host Agency:** The member Agency within the DPC responsible for issuing the Bid Document on behalf of the DPC Group.

**Lead Buyer:** The Buyer from the Host Agency acting on behalf of the Participants in the DPC purchase.

**Participant:** An Agency who has included their requirements in the DPC purchase.

**3. PROCEDURE:**

3.1 The Agency acting as the Host will be responsible for developing, preparing and issuing Bid Documents to prospective Bidders. The Participants, are responsible for providing the Lead Buyer at the Host Agency with the following information:

- 3.1.1 Estimated Annual Requirements/Specifications
- 3.1.2 List of Rental Equipment, if applicable
- 3.1.3 Ship to location(s) & hours of operation, if applicable
- 3.1.4 Delivery access concerns, if applicable
- 3.1.5 Bill to addresses
- 3.1.6 Contact Information & Phone Numbers

3.2 Determination on method of solicitation, (ie.RFP vs. RFT/RFQ), including intent of award (all in or individual), shall be as agreed to by the majority of the members of the DPC Group. Should an Agency choose not to participate, they shall do so at this time. With respect to a RFT/RFQ, the host agency's Purchasing By-Law and/or procedures will determine whether or not the Bid Document is a RFT or RFQ.

3.3 Upon determining a need to issue a new competitive Bid, the Lead Buyer will send an e-mail to all Participating Agencies, requesting updated information, quantities, etc., to be included in the new request for Bids. Where possible, the Lead Buyer shall include a draft of the Bid Document for Agencies to review, including a deadline for responses.

**DURHAM PURCHASING COOPERATIVE  
PROCEDURE**

<b>Subject:</b> Bid Document Development/Preparation /Evaluation & Contract Award	<b>No.:</b> DPC-1
	<b>Issue Date:</b> November 18, 2010
<b>Prepared By:</b> Carol Lyon	<b>Approved By:</b> Chair

- 3.4 Bid Documents shall include the current version of the DPC Terms & Conditions; detailed specifications and instructions to bidders outlining the Host Agencies Bid submission requirements. The Host Agency's own Terms & Conditions shall **not** be included in the Bid Document. Should the Host Agency require inclusion of any clause(s) from their own Terms & Conditions, they shall include them in the instructions to bidders section of the DPC Bid Document. If any changes are required to be made to the DPC Terms & Conditions, these revisions shall be identified in the instructions to bidders sections, referencing the applicable clause in the DPC Terms & Conditions.
- 3.5 The Host Agencies Purchasing By-law, procedures, and/or policies will apply for the calling, receiving, and opening of Bids, as well as dealing with any Bid irregularities found.
- 3.6 The Lead Buyer shall provide Participants a minimum lead time of two weeks to obtain information for inclusion in the new request for Bid and to provide comment related to clauses, specifications, etc., contained in the draft.
- 3.7 Participants shall provide their requirements to the Lead Buyer in a timely fashion, no later than two weeks from the requested date.
- 3.8 The Lead Buyer will include each Agency's requirements in the Bid Document and distribute a draft of the Bid Document, including a list of potential bidders to all Participants for review. Any suggested revisions shall be considered and agreed to by all Participants in writing prior to changes being incorporated into the Bid Document. Participants wishing to include known bidders, shall forward the contact information to the Lead Buyer.
- 3.9 The Lead Buyer will provide as a minimum, two weeks for the review period. The review and update process will continue until all are satisfied with the Bid Document contents.
- 3.10 Once the final draft of the Bid Document has been approved by the Participants, the official closing date will be determined and updated in the Bid Document. The Lead Buyer will send to all Participants, an electronic copy of the final Bid Document as issued, a copy of the ad and a list of potential Bidders.
- 3.11 While the Bid is on the street, any questions or enquiries received by any Agency shall be redirected to the Host Agency for this call.
- 3.12 Should Addenda be issued, the Lead Buyer shall provide each Participant with a copy.
- 3.13 Upon closing the Bid, the Lead Buyer shall review all bid submissions for compliance. The rules for disqualification of any Bidder shall be governed by the Host Agencies Purchasing By-law, procedures and policies. In the event a debriefing is requested by a bidder, it will be done by the Lead Buyer.

<b>DURHAM PURCHASING COOPERATIVE PROCEDURE</b>	
<b>Subject:</b> Bid Document Development/Preparation /Evaluation & Contract Award	<b>No.:</b> DPC-1
	<b>Issue Date:</b> November 18, 2010
<b>Prepared By:</b> Carol Lyon	<b>Approved By:</b> Chair

3.14 The Lead Buyer shall perform all tasks related to review and evaluation of the Bids received including:

- reference checks;
- preparation of the bid evaluation spreadsheet (identifying each Agencies portions separately, where applicable);
- arrange for site visits, with all Participants invited to attend (if applicable);
- prepare a summary of events related to the Bid process including the following:
  - ❖ *where the bid opportunity was advertised;*
  - ❖ *the number of prospective Bidders who picked up the document;*
  - ❖ *the number of bids received;*
  - ❖ *If any bids were rejected, identify the bidder and reason for rejection;*
  - ❖ *provide the outcome of reference checks and/or site visits;*
  - ❖ *provide details of anything unusual discovered during the unit price analysis;*
  - ❖ *and anything else pertinent to the decision of award.*
- scan **all** compliant Bids for electronic distribution to the Participants;
- provide a recommendation of Contract award for each Agency's portion, based on the evaluation findings;
- send via e-mail to all Participants, copies of the compliant Bids received, evaluation spreadsheet, summary of events, Contract commencement date and renewal dates & recommendation of Contract award (send to each Agency's Buyer with a copy to the Manager);
- provide a deadline for Participants to concur or reject the recommendation of Contract award.

3.15 Each Participating Agency shall provide a written response regarding the recommended award, to the Lead Buyer within the time specified.

3.16 Upon receipt of agreement of Contract Award from all Participants, the Lead Buyer shall provide written notification to the recommended Bidder(s) that all Agencies have agreed and advise that each Agency, upon obtaining internal Council/Board approvals, will provide their individual Agency Purchase Order. A copy of this notification shall be provided to all Participants.

**DURHAM PURCHASING COOPERATIVE  
PROCEDURE**

<b>Subject:</b> Bid Document Development/Preparation /Evaluation & Contract Award	<b>No.:</b> DPC-1
	<b>Issue Date:</b> November 18, 2010
<b>Prepared By:</b> Carol Lyon	<b>Approved By:</b> Chair

**4. RELATED DOCUMENTS:**

- Contract Renewal & Supplier Performance Evaluation Rev: November 18, 2010
- Supplier Performance Evaluation Report Rev: November 18, 2010
- Durham Purchasing Cooperative Terms & Conditions Rev: October 14, 2010
- Durham Purchasing Cooperative Activity Schedule Rev: Jan. 15, 2009

<b>DURHAM PURCHASING COOPERATIVE PROCEDURE</b>	
<b>Subject:</b> Contract Renewal & Supplier Performance Evaluation	<b>No.:</b> DPC-2
	<b>Issue Date:</b> November 18, 2010
<b>Prepared By:</b> Carol Lyon	<b>Approved By:</b> Chair

**1. DESCRIPTION OF PROCEDURE:**

To provide instructions and the procedures required for the renewal of Contracts and Supplier performance evaluations on behalf of the Durham Purchasing Cooperative Group.

**2. DEFINITIONS:**

**Agency:** The member organization specified herein that is participating in a Durham Purchasing Co-operative (DPC) purchase.

**Host Agency:** The member Agency within the DPC responsible for issuing the Bid Document on behalf of the DPC Group.

**Lead Buyer:** The Buyer from the Host Agency acting on behalf of the Participants in the DPC purchase.

**Participant:** An Agency who has included their requirements in the DPC purchase.

**3. PROCEDURE:**

3.1 The Agency acting as the Host will be responsible for initiating the renewal of a Contract where multiple Contract terms are an option.

3.2 The Lead Buyer shall send the Supplier Performance Evaluation (SPE) form, with the exception of registries to all Participating Agencies for completion, allowing at least ten (10) calendar days for Agencies to provide their response. Timing of the renewal request shall be as follows:

3.2.1 90 days prior to expiry of a Contract term if it is the final term and there is a need to issue a new tender or;

3.2.2 30 days minimum, prior to expiry of a Contract term if there is the option to renew for additional terms or;

3.2.3 in accordance with the renewal process as defined in the Contract documents.

3.3 Participating Agencies shall forward the SPE form to their user departments for completion.

3.4 A Suppliers performance of a contract shall be rated in accordance with the 16 criteria as noted on the SPE form. Only those criteria that apply to the contract are to be scored. If a criteria is not applicable (N/A), the total number of responses shall be reduced by that number. Supplier ratings are scored as follows:

<b>DURHAM PURCHASING COOPERATIVE PROCEDURE</b>	
<b>Subject:</b> Contract Renewal & Supplier Performance Evaluation	<b>No.:</b> DPC-2
	<b>Issue Date:</b> November 18, 2010
<b>Prepared By:</b> Carol Lyon	<b>Approved By:</b> Chair

- 0 – Unacceptable – does not satisfy any of the requirements
- 1 – Unsatisfactory – addresses some but not all of the requirements
- 2 – Satisfactory – meets the requirements
- 3 – Superior – exceeds the requirements

- 3.5 Upon receipt of the completed SPE(s), the Agency Buyer shall total all scores and determine a consolidated average rating for the Supplier.
- 3.6 The Agency Buyer will then send the consolidated average score for their Agency to the Host Agency by the “Reply By Date” indicated on the SPE form.
- 3.7 The Lead Buyer will tally the scores for all Participating Agencies and determine the suppliers overall average rating.
- 3.8 The Lead Buyer will then forward the supplier’s overall average rating to all Participating Agencies, along with their recommendation or action regarding renewal of the Contract.
- 3.9 The recommendation/action to be taken shall be determined by the overall average rating the Supplier has been given within the following guidelines:

<u><b>Supplier’s Overall Average Performance Rating</b></u>	<u><b>Recommendation/Action</b></u>
Less than 1	Do not renew Contract
More than 1, but less than 3	Review areas that require improvement prior to potential Contract renewal
3	Recommend Contract renewal or consideration for future Contracts

- 3.10 If the Supplier’s performance rating is favourable, the Lead Buyer shall then do the following:
  - if unit prices were already provided with the original Bid, advise the Supplier that all Agencies have agreed to renew for the subsequent Contract term, providing copies of the notice of renewal to all Participating Agencies or;
  - if unit prices were not already provided with the original Bid, request the Supplier provide, in writing, unit prices for the subsequent Contract term;
  - upon review of the proposed unit prices provided by the Supplier, determine if these prices are; reasonable for that commodity, in accordance with market conditions; and equal to or less than the proposed maximum increases submitted with their original Bid;

<b>DURHAM PURCHASING COOPERATIVE PROCEDURE</b>	
<b>Subject:</b> Contract Renewal & Supplier Performance Evaluation	<b>No.:</b> DPC-2
	<b>Issue Date:</b> November 18, 2010
<b>Prepared By:</b> Carol Lyon	<b>Approved By:</b> Chair

- if the proposed unit prices are not acceptable to the Lead Buyer, the Supplier shall be asked to resubmit revised unit prices (this process shall continue until final unit prices have been determined);
- the Lead Buyer shall then forward copies of the final unit prices to all Participating Agencies, along with their recommendation to accept or reject these prices;
- if prices are agreed to by all Participating Agencies, the Lead Buyer shall advise the Supplier of the acceptance with copies to each Participating Agency who shall then issue their own Purchase Orders.

- 3.11 If the Supplier's performance is not favourable, but the Group is willing to work with them to improve performance, the Lead Buyer shall ask the Supplier to address any deficiencies in their performance before consideration for renewal;
- If the Supplier is able to provide the Participants with a level of confidence that performance will improve, the Contract shall be renewed for a probationary term or with the Supplier on notice;
  - Unit prices for any subsequent term shall be considered following the format described in 3.10 above.
- 3.12 If the Supplier's performance is not favourable and the Participants do not wish to renew the Contract, the Lead Buyer, in consultation with the Participants shall prepare a letter of non-renewal, citing the reasons for Group's decision. A copy of this letter shall be provided to all Participating Agencies.
- 3.13 If the SPE was issued at the end of the final Contract term, where no further options to renew exist, the SPE forms shall be maintained by the Host Agency for consideration of future contracts.
- 3.14 Participating Agencies may complete a SPE at any time throughout the life of the Contract, to document performance concerns or issues that arise. Copies of these SPE's shall be provided to the Lead Buyer for inclusion in the Host Agencies file.

#### **4. RELATED DOCUMENTS:**

- Supplier Performance Evaluation Report - November 18, 2010
- Bid Document Development/Preparation/Evaluation & Contract Award -November 18, 2010
- Durham Purchasing Cooperative Terms & Conditions - Rev: October 14, 2010
- Durham Purchasing Cooperative Activity Schedule - Rev: January 15, 2009

# SUPPLIER PERFORMANCE EVALUATION REPORT

REPORT TYPE:  INTERIM  FINAL

HOST AGENCY:	HOST LEAD BUYER:	REPLY BY DATE:
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## CONTRACT INFORMATION

CO-OP FILE/BID NO.:	COMMODITY/CONTRACT DESCRIPTION:		
ORIGINAL START DATE (AT TIME OF AWARD):	FINAL EXPIRY DATE (END OF ALL TERMS):	CONTRACT TERM EVALUATION PERIOD:	
		CONTRACT TERM COMMENCEMENT DATE:	CONTRACT TERM COMPLETION DATE:

## SUPPLIER INFORMATION

SUPPLIER NAME:	SUPPLIER REPRESENTATIVE:		
SUPPLIER ADDRESS:	PHONE NO.:	FAX NO.:	

**NOTWITHSTANDING CORRECTIVE MEASURES BEING IMPLEMENTED, AN OVERALL AVERAGE RATING OF LESS THAN 2 AND/OR ONE OR MORE CATEGORIES WITH A LESS THAN SATISFACTORY SCORE MAY RESULT IN TERMINATION OF THE CONTRACT OR REJECTION OF BIDS FROM THE SUPPLIER FOR FUTURE CONTRACTS.**

c: SUPPLIER  
HOST AGENCY  
PARTICIPATING AGENCY

		NOT APPLICABLE	UNACCEPTABLE	UNSATISFACTORY	SATISFACTORY	SUPERIOR
		N/A	0	1	2	3
<i>Enter only one score between 0 – 3 in each category below or N/A if not applicable.</i>						
1	Goods/Services are provided in accordance with quality expectations as specified in the contract					
2	Goods/Services are delivered within the expected delivery times					
3	Goods are delivered in the quantities as specified, with back orders held to a minimum					
4	Goods are appropriately packaged					
5	Goods are accurately labeled with delivery receipts					
6	Material Safety Data Sheets (MSDS) are provided with Goods, where required					
7	Supplier representatives respond efficiently & effectively to requests for technical assistance					
8	Supplier representatives respond efficiently & effectively to orders/returns/defects/deficiencies					
9	Supplier representatives are knowledgeable of Goods/Services & industry					
10	Supplier representatives actively seek & offer potential cost saving options					
11	Invoices are accurate in accordance with contract pricing/milestones					
12	Invoices/Credits are submitted promptly					
13	Schedules/reports, etc., are provided in accordance with agreed to time lines					
14	Insurance Certificates are provided & maintained current dated, in the amounts specified in the contract					
15	Updated Workplace Safety Insurance Board (WSIB) Certificates are provided every 60 days					
16	Health & Safety requirements as legislated & others as they relate to the work are adhered to					
<b>TOTAL VALUE OF ALL SCORES ABOVE</b>						
<b>TOTAL NUMBER OF RESPONSES (excluding N/A)</b>						
<b>AVERAGE RATING = TOTAL VALUE OF ALL SCORES DIVIDED BY TOTAL NUMBER OF RESPONSES</b>						

PARTICIPATING AGENCY:	USER NAME/DEPARTMENT:		
COMPLETED BY NAME:	TITLE:	SIGNATURE:	DATE: