

Supplier Performance Evaluation Protocol

1. Purpose and Interpretation

The purpose of this protocol is to establish a Performance Evaluation Process in order to evaluate supplier performance in a transparent and consistent manner. This protocol should be read in conjunction with the City's Procurement By-law and the Procurement Procedures and the Contract Management Protocol. Defined terms used in this protocol have the meaning assigned in the Glossary of Terms.

2. Performance Evaluation

Supplier performance is critical to the success of procurement projects. Poor workmanship, unnecessary contract delays and unsafe work practices will not be tolerated.

At the outset of the contract, the Contract Administrator will provide the supplier with copies of the Interim and Final Performance Evaluation Reports that will be used to rate the supplier's performance in accordance with the Performance Evaluation Process.

- Interim Evaluation

The Contract Administrator will formally evaluate the supplier's performance and complete an Interim Performance Evaluation Report prior to the renewal or extension of the contract, if applicable, and may formally evaluate the supplier's performance and complete an Interim Performance Evaluation Report at any time during the term of the contract, as determined by the Contract Administrator taking into account the nature, complexity, value and length of the contract.

- Final Evaluation

The Contract Administrator will formally evaluate the supplier's performance and complete a Final Performance Evaluation Report upon completion, expiration or termination of the contract.

3. Interim Performance Evaluation Report

a) Notification of Supplier

The Contract Administrator will notify the supplier of its overall performance rating and provided the supplier with a copy of the completed and signed Interim Performance Evaluation Report.

b) Performance Issues

If the supplier receives a "Below Standard" rating on any of the rated criteria in the Interim Performance Evaluation Report, the Contract Administrator will meet with the supplier to clearly identify and discuss the performance issues, determine the corrective action that will

be taken to rectify and avoid recurrence of the performance issues and obtain supplier's agreement to take the corrective action within a specified time period. Following the meeting, the Contract Administrator will confirm the details and outcome of the discussion in writing to the supplier, and will attach a copy of the written record of the meeting to the Interim Performance Evaluation Report. The Contract Administrator will inform his or her Department Head of the performance issues. If the performance issues are not rectified or there is a recurrence of the performance issues, the Contract Administrator will consult with his or her Department Head, the Purchasing Branch and Legal Services to determine next steps.

4. Final Performance Evaluation Report

a) Performance Issues

If the supplier receives a "Below Standard" rating on any of the rated criteria in the Final Performance Evaluation Report, the Contract Administrator will meet with the supplier to discuss the performance issues, and will consider any comments or explanations provided by the supplier in the finalization of the Final Performance Evaluation Report.

b) Recommendation Based on Performance

Based on the final rating of the criteria in the Final Performance Evaluation Report, the Contract Administrator will make a recommendation to either:

- allow the supplier to continue participating in future procurement opportunities; or
- disqualify the supplier from participating in future procurement opportunities for a period of up to three (3) years in accordance with the Supplier Disqualification Protocol.

c) Recommendation for Continued Participation

If the evaluation results in a recommendation to allow the supplier to continue participating in procurement opportunities, the Contract Administrator will notify the supplier of its final rating and the resulting recommendation and provide the supplier with a copy of the completed and signed Final Performance Evaluation Report.

d) Recommendation to Disqualify

If the evaluation results in a recommendation to disqualify the supplier from participating in future procurement opportunities in accordance with the Supplier Disqualification Protocol, the following steps must be taken:

i. Review by Department Head

The Contract Administrator will submit the Final Performance Evaluation Report to his or her Department Head for review. The Department Head will ensure the Final

Performance Evaluation Report is complete, will discuss the ratings with the Contract Administrator, and will ask the Contract Administrator to confirm that the Final Performance Evaluation Report accurately reflects the supplier's performance.

ii. Notification of the Purchasing Branch

The Contract Administrator will inform the Purchasing Branch of the recommendation and provide the Chief Procurement Officer with a copy of the Final Performance Evaluation Report.

iii. Notification of Supplier and Supplier's Right to Dispute

The Contract Administrator and the Chief Procurement Officer will jointly notify the Supplier of its final rating and the resulting recommendation, provide the Supplier with a copy of the completed and signed Final Performance Evaluation Report and advise the Supplier that any dispute in respect of the recommendation must be set out in a written statement of dispute and submitted to the Chief Procurement Officer within 10 business days.

e) Decision to Disqualify and Consideration of Statement of Dispute

The decision with respect to disqualification of the supplier will be made in accordance with the Supplier Disqualification Protocol. The completed Performance Evaluation Report will fulfill the requirement for a written business case under the Supplier Disqualification Protocol. The Procurement Review Committee will consider the supplier's statement of dispute, if any, in making a decision under the Supplier Disqualification Protocol. A decision under the Supplier Disqualification Protocol is final.

5. Retention of Evaluation Reports

The Contract Administrator will retain all original Performance Evaluation Reports and will provide the Purchasing Branch with a copy of each Performance Evaluation Report. The Purchasing Branch will retain copies of all Performance Evaluation Reports.

6. Disclosure of Results to Others

The results of any Performance Evaluation Process are intended to be disclosed internally across Departments and may be disclosed to other government bodies upon request, where it can be demonstrated that the supplier has listed the City as a reference.

7. Consideration of Performance in Evaluation of Bids

The City may consider past performance evaluation results in the evaluation of future bids from the supplier, whether or not the past performance resulted in disqualification in accordance with the Supplier Disqualification Protocol.