

TOWN OF ANNAPOLIS ROYAL

Procurement Policy

TITLE: Procurement	
POLICY NO.: #2021- 05	SUPERSEDES: # 2012-1, #2014-3
EFFECTIVE DATE: November 17, 221	APPROVED BY COUNCIL MOTION NO.: #C2021-11-17-07

Purpose:

To allow for the procurement of goods, general services, construction services and facilities in a fair, open, consistent and transparent manner that:

- I. Results in obtaining best value.
- II. Leads to increased competition, innovative ideas and solutions while respecting trade agreements;
- III. Promotes sustainable procurement while identifying and exploring opportunities to work with and support social enterprises and businesses owned by and who employ under-represented populations.

Definitions:

“Best Value” means evaluating bids, not only on purchase price and life cycle cost considerations, but also taking into account items such as environmental and social considerations, delivery, servicing and the capacity of the supplier to meet other criteria as stated in the procurement documents.

“Procurement Documents” means tender, bid, request for proposal (RFP), request for expression of interest (REI), quote and any other type and form of documents used in the procurement process.

“Procurement Web Portal” means the public website maintained and operated by Her Majesty in right of the Province:

“Sustainable Procurement” means obtaining best value for public service entities by integrating environmental, economic and social considerations in the procurement process.

Policy Statement:

1. Authority:

Procurement of goods, general services, construction services and facilities within the policy guidelines and budgetary limits shall be carried out under the direction of the Chief Administrative Officer (CAO).

2. The Town shall:

- a. Publicly contract through the Procurement Web Portal for the procurement all goods, services, construction and facilities in accordance with all applicable trade agreements;
- b. Post on the Procurement Web Portal the name of the successful party and the contract amount awarded;
- c. Abide by the acceptable alternative procurement exemptions and practices set out in the regulations promulgated under the *Public Procurement Act*;
- d. Participate in supplier and public sector entity outreach programs conducted by the Procurement Governance Secretariat;
- e. Participate in professional development programs conducted by the Procurement Governance Secretariat;
- f. Incorporate into its procurement processes, contract and risk-management guidelines;
- g. Be accountable for its procurement decisions;
- h. Ensure that its procurement employees abide by the standards set out in Section 15 of the *Public Procurement Act* and is reproduced in clause 4 of this Policy;
- i. Respect all supplier standards, rights and responsibilities established pursuant to Section 16 of the *Public Procurement Act* and as reproduced in Schedule 'A' to this Policy;
- j. Provide an annual report, no later than ninety days after the fiscal year end, to the Chief Procurement Office in the form and manner prescribed by the regulations promulgated und the *Public Procurement Act*;
- k. Become familiar with the Competition Bureau of Canada bid rigging awareness and prevention guidelines and adopt applicable practices; and
- l. Adopt or adapt its procurement policies to be consistent with the requirements of the *Public Procurement Act*.
- m. The Town will conduct, at the request of any supplier who submitted a rejected bid or proposal, a debriefing session for the purposes of providing feedback on the evaluation process, which debriefing shall provide reasons for the rejection and, in appropriate circumstances, provide an overview of the rejected bidder's score in each category of the evaluation.

3. Guiding Principles:

- a. When evaluating a bid or proposal, the Town shall obtain best value.

- b. The Town may apply a preference for the goods valued up to the thresholds of the Atlantic Procurement Agreement, which are manufactured or produced in Nova Scotia. The Atlantic Procurement Agreement is incorporated by reference into and considered part of this Policy.
- c. For goods valued up to the thresholds of the Atlantic Procurement Agreement the Town may obtain quotes and choose to purchase directly for products manufactures or produced in Nova Scotia.
- d. The Town retains the right to accept or reject, consider and evaluate bids or proposals from other jurisdictions on the same basis that the purchasing authorities in those jurisdictions would treat a bid from a Nova Scotia supplier.
- e. In accepting bids from a non reciprocating jurisdiction, the Town may consider best value as the determining factor.
- f. The Town will ensure that every public procurement notice will have attached to it the terms and conditions that govern the Town's purchase of goods, services, construction services and facilities and which are consistent with the Atlantic Standard Terms and Conditions for the procurement of goods and services and Construction Guidelines for the procurement of construction. The Atlantic Standard Terms and Conditions are incorporated by reference into and considered a part of this Policy.
- g. The Town will further ensure that every procurement notice complies with all the legislation affecting the scope of the tender.
- h. The Town may choose to issue procurement documents, for goods, services, construction and facilities for amounts that are lower than the thresholds set out in the applicable trade agreements.

4. The Town's Procurement Employees Shall:

- a. Ensure their procurement activities are conducted according to Town policies, provincial and federal legislation, trade agreements and ethical business practices;
- b. Encourage and support collaborative procurement amongst public sector entities;
- c. Follow leading procurement policies;
- d. In good faith, conduct business with current and prospective suppliers and be fair in all business dealings;
- e. Strive to obtain best value for each expenditure;
- f. Require suppliers provide accurate representations of goods, services and construction;
- g. Encourage suppliers to consider sustainability in their product or service offerings;
- h. Encourage the negotiation of an equitable and mutually acceptable settlement when a dispute arises; and,
- i. Not participate in the procurement process when a personal conflict of interest is perceived.

5. Sole Source Procurement:

Procurement from a single or sole source is permitted in certain circumstances, as outlined in and consistent with the Atlantic Procurement Agreement and the Agreement On Internal Trade. The Agreement on Internal Trade is incorporated by reference into and considered part of this Policy.

6. Procurement Options:

Based on the needs and best interests of the Town, procurement will, depending on the circumstances, be by way of a call for quotes, a call for bids, a call for tenders, an RFP and REI or the like. Any reference in this policy to any procurement method can be taken to include the other procurement methods at the option of the CAO but in no case can any requirement in this Policy for a tender, RFP or REI be replaced by a call for quotes only.

PROCUREMENT PROCEDURE & LIMITS

7. GOODS

- (i) **Machinery and Equipment of a Capital Nature:** Items of over \$5000 **and under \$25,000** shall be procured by inviting quotes from at least three sources, where available.
- (ii) **All Other Goods:** Items of over \$5000 **and under \$25,000** shall be procured by inviting quotes from at least three sources, where available.
- (iii) **Goods valued at \$25,000 or greater** shall be tendered using the Procurement Web Portal.

8. SERVICES

Services valued at \$50,000 and greater shall be tendered using the Procurement Web Portal with a link to the Town website. Notwithstanding this limit:

- insurance services shall be subject to quotations not less than once every three years, and
- audit services not less than once every five years

Banking, engineering and legal services shall only be tendered based on the needs of the Town.

9. CONSTRUCTION SERVICES

Construction contracts over \$10,000 but under \$100,000 (only in instances where contracting is deemed necessary) shall be procured by inviting quotes from at least three sources.

Construction valued at \$100,000 or greater shall be tendered using the Procurement Web Portal.

with a link to the Town website.

10. ENERGY EFFICIENT PRODUCTS

Products labeled ENERGY STAR will be preferred over other products and this statement will appear in all procurement requests.

11. BUYING LOCALLY

All procurement requests for goods less than \$25,000, services less than \$50,000, and construction less than \$100,000 will include the following statement:

The Town recognizes the importance of buying locally and using local suppliers as much as possible. This factor will always be taken into account when considering best value.

12. ENVIRONMENTAL CONSIDERATIONS

All procurement requests will include the following statement:

All environmental impacts should be considered through the entire procurement process. Environmentally preferable goods and services are those that have a lesser or reduced impact on the environment over the life cycle of the good or service, when compared with competing goods or services serving the same purpose.

13. CONFIDENTIALITY

Information obtained by any supplier participating in this procurement process is the property of the Town and must be treated as confidential and not used for any purpose other than for replying to the procurement process and the fulfillment of any contract awarded.

Suppliers may declare confidentiality in their response. However, the Town is governed by the provisions of PART XX (Freedom of Information and Protection of Privacy) of the Municipal Government Act, statutes of N.S. 1998, c. 18 as amended (MGA). These provisions may require the Town to disclose the information provided to the Town by a prospective supplier to anyone who requests it pursuant to those provisions. There are exceptions and exemptions set out in those provisions of the MGA and any supplier concerned about the Town's potential obligation to disclose must check these provisions and prepare their response accordingly

The above two paragraphs will form part of all procurement requests.

14. TENDERING PROCEDURES

- a. The clock in the administrative office will be used to determine the time for closure of tenders.

- b. Anyone submitting a tender is entitled to be present for tender opening.
- c. Tenders will close at 1:00 pm on the closing date and be opened after closing.
- d. Tenders received late will not be opened and will be returned to sender.
- e. For each tender, the name of the tenderer and the amount of the bid will be read aloud. No decision will be made until a thorough analysis of all bids has taken place.

THIS IS TO CERTIFY that this policy was duly passed by a majority vote of the whole Council at a duly called Council meeting held on the 17 day of November, 2021.

GIVEN under the hand of the CAO and under the seal of the Town of Annapolis Royal the 18 day of November, 2021.


Sandi Millett-Campbell
Chief Administrative Officer



SCHEDULE 'A'

All municipality employees responsible for procurement shall:

- a. Ensure their procurement activities are conducted according to policies, provincial and federal legislation, trade agreements and ethical business practices:
- b. Encourage and support collaborative procurement amongst public sector entities;
- c. Follow leading procurement practices:
- d. In good faith, conduct business with current and prospective suppliers and be fair in all business dealings:
- e. Strive to obtain the best values for each expenditure:
- f. Require suppliers provide accurate representations of goods, services and construction;
- g. Encourages suppliers to consider sustainability in their product or service offerings;
- h. Encourage the negotiation of an equitable and mutually acceptable settlement when a dispute arises; and
- i. Request removal from a procurement process when a personal conflict of interest is perceived.