



Alternative Procurement Approval Request

Background

An exemption or alternative procurement method is a provision in Regulation 2014-93 under the Procurement Act whereby all or some of the normal competitive bidding processes do not need to be followed for the procurement of certain goods and services, and/or goods and services in certain circumstances. The Town may grant exemptions from the public tendering process and invite bids from select suppliers as described in Appendix A of the Town's Procurement Standard.

Approval Form and Submission Requirements

1. The Department Head or their designate must submit their request for an alternative procurement purchase in writing to Finance staff, using the form included in this document. The Department Head or their designate will:
 - a. Provide a summary of the requested service or product.
 - b. Explain why the product or service is required and how it will benefit the Town.
 - c. Explain why an alternative procurement purchase is necessary and cite the exemption from the Procurement policy that applies to the request.
 - d. Provide a summary of research conducted to support items 1 and 2 above.
 - e. Clarify if the request falls within the departmental budget.
 - f. Discuss any negative impacts that may occur if the exemption request is not approved.
2. Finance staff will discuss the request with the Department Head to ensure an alternative procurement purchase is required.
3. If the Procurement officer is satisfied an alternative procurement purchase is necessary, the request and explanation is sent to the CAO for approval.
4. The CAO and Legal Services will assess the request. If the request is approved, the CAO will notify the Finance staff, and if the request is denied, the CAO will notify the Finance staff and the Department Head explaining why the request has been denied.
5. If approval to proceed is given, negotiations with the available supplier or suppliers of the goods or services required will be conducted.
6. A contract or purchase order arising from the negotiations will be approved as per the Town's hierarchy of designated approvers defined in the Procurement policy.



Alternative Procurement Approval Request Form

Requestor Name: Geoff Crossman
Requestor Department: Public Works
<p>1. Provide a summary of the requested service or product:</p> <p>Public Works is due for a new street sweeper in 2020. Our old Johnston 651 sweeper is a 2005 and has lasted very well for the town. Public Works is looking to replace this sweeper with the new Johnston VT652 Dual Broom Vacuum Sweeper.</p>
<p>2. Explain why the product or service is required and how it will benefit the Town:</p> <p>This sweeper unit is an essential machine for the town. We sweep roads as needed on weekly basis (as temperature permits). We use this to clean up our work sites as well as major cleaning in the spring and fall to remove debris from gutters. This new unit will be equipped with dual gutter brooms as well additional high pressure nozzles to remove tough debris. As well it will be equipped with a catch basin cleaning attachment that will allow this truck to be used to clean catch basins on days when street sweeping is not required.</p>
<p>3. Explain why an alternative procurement purchase is necessary and cite the exemption from the Procurement policy that applies to the request:</p> <p>This exemption is necessary to allow the town to purchase the proper equipment required, without risk of substandard equipment being purchased based on price.</p> <p>Mutual agreement - Section 158(L) – Purchase from Department of Public Body Goods and services procured from a Schedule A entity, a Schedule B entity (reference the Atlantic Procurement Agreement), another jurisdiction or a public body;</p> <p>As stated in the City of Fredericton tender;</p> <p>Upon mutual agreement with the successful Supplier(s), other New Brunswick municipalities shall have the advantage of this proposal prices(s) as accepted by the City of Fredericton. This in no way binds the municipalities or the supplier to accepting this condition but provides them with the opportunity to take advantage of the City of Fredericton's pricing.</p>

4. Provide a summary of research conducted to support items 1 and 2 above:

Our current unit is a 2005 Johnston 651. It has a single gutter broom and is unable to clean catch basins. It has worked well but is now showing its age and will begin to cost substantial money in the near future (rear hopper needs refacing, electrical issues etc.) The new unit (VT652) has many upgrades from the old 651. It has dual brooms, high pressure wash as well as an updated cab for operators.

In addition to the unit being an upgrade, if we purchase from Saunders we have a long running relationship with this provider as well. Service and parts are always accessible. Saunders service manager is only a call away for no charge advice.

Johnston sweepers are one of the most used sweepers in Atlantic Canada. There are other options but having talked to other municipalities like Saint John who just purchased another brand, they are not completely satisfied with what they purchased.

5. Clarify if the request falls within the departmental budget:

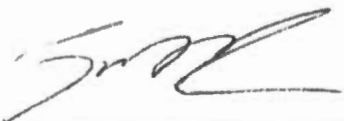

Our budget was set at \$400,000.00 for the new sweeper. The new sweeper with all the required options should come in at \$333,305.00+tax. With our taxes we will be looking at a total of roughly \$346,638.00, \$53,362.00 under budget. The budget for the sweeper is forecasted for 2020 and we are requesting approval this year as it is a 9-10 month delivery and we need the new sweeper for April. The purchase will not happen until 2020.

6. Discuss any negative impacts that may occur if the exemption request is not approved.

If we do not get approved for the exemption we will have to tender for a new unit. In doing so we risk two issues;

- 1) We tender the sweeper and a company other than Saunders is awarded the contract. In doing so we limit our knowledge of the new brand of sweeper as well as run the risk of not getting the quality we expect out of Johnston. As well the service level from the dealer may be subpar from Saunders.
- 2) We risk paying more for a similar unit if we go through the tender process.

Approvals:

Title & Approval level	Signature	Date
Department Director		Aug. 8 / 19
Chief Administrative Officer Approval is required for all exemptions regardless of purchase value.		Aug 8 / 19.

Town Council		
Approval is required for any exemptions that exceed public bid thresholds		
> 25,000 – Goods		
> 50,000 - Services		
> 100,000 - Construction		