



# Town of Riverview Procurement Standard

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## **1.0 INTRODUCTION**

The Town of Riverview conducts all procurement functions in an open and competitive environment while maintaining fair and equitable opportunities for suppliers to compete for business.

The Standard outlines how the Town will implement the intent of the Procurement Policy. The Standard describes the procurement practices of the Town in the areas described in the table of contents.

## **2.0 LEGISLATION**

### **2.1 Acts**

The following Acts in New Brunswick specifically legislate purchasing activities:

- i) *Procurement Act and Regulation 94-157*  
<http://laws.qnb.ca/en/ShowPdf/cs/2012-c.20.pdf>;  
<http://laws.qnb.ca/en/ShowPdf/cr/2014-93.pdf>

#### **Procurement Act and Regulation 2014-93**

This Act and Regulation cover the procurement of goods and services by the Province and other public bodies, including Municipalities. It defines the tendering process and the responsibilities of various organizations and individuals. The Regulation also defines circumstances where exceptions can be made. This Act is consistent with the interprovincial trade agreements to which the Province is a Party.

As per Section 58 of Regulation 2014-93 the Town is exempt from public tendering for goods under \$25,000 and services under \$50,000 (excluding taxes). However, for all procurements at or above these thresholds, the Town must issue a public tender (unless they are exempt under section 152 to 161 or under section 166 of Regulation 2014-93, see Appendix B). A guideline describing the Town's tendering process is provided in Appendix A of this Standard.

#### ***Note:***

#### ***Crown Construction Contracts Act***

*In New Brunswick, construction tendering is governed by the Crown Construction Contracts Act. This Act covers departments and most Crown corporations for highway and building construction and is administered by the New Brunswick Department of Finance.*

*Although this legislation does not formally cover municipalities, the Town may include procurement guidelines from the Crown Constructions Contract Act that will provide clarity on the requirements to a specific procurement activity.*

### **Exemptions and Alternative Procurement Methods**

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 is exempted from public tendering for the procurement of services provided by professionals identified in Section 166 of Regulation 2014-93 (see Appendix B).
- The Town is also exempt from public tendering in circumstances identified in Sections 152 through 161 of Regulation 2014-93 (see Appendix B). Examples could include: a) the purchase of health services; (b) purchase of goods and services procured from a non-profit organization, (c) purchase of goods and services urgently required due to unforeseen circumstances that cannot be obtained in a timely manner through an open competitive bidding process; (d) items purchased in order to ensure compatibility with existing goods.
- Whenever an Alternative Procurement Method is used the Town maintains a record that clearly show that the exemption was warranted and approved as per the Town's hierarchy of designated approvers.

### **Interprovincial Trade Agreements**

Over the past several years, New Brunswick, along with other provinces, has signed agreements that further define the conduct of public procurement. The Government of New Brunswick is a Party to three agreements that affect municipalities: the Canadian Free Trade Agreement (CFTA), the Atlantic Procurement Agreement (APA) and the Agreement on the Opening of Public Procurement for New Brunswick and Quebec (Quebec – New Brunswick Procurement Agreement).

As of July 2017, all municipalities are covered by **the Canadian Free Trade Agreement (CFTA)** for procurements over \$100,000 (for goods and services) and over \$250,000 (for construction). The CFTA replaces the Agreement on Internal Trade (AIT).

As of June 30, 2009, all municipalities are covered under the **Atlantic Procurement Agreement (APA)** for procurements of goods over \$25,000, services over \$50,000 and

construction over \$100,000 and the Quebec – New Brunswick Procurement Agreement for procurements over \$100,000 (for goods, services and construction).

One of the requirements of these agreements is that municipalities must advertise tenders over these thresholds on the electronic tendering system approved by the Province. The approved system is the NBON (New Brunswick Opportunities Network).

### **3.0 RESPONSIBILITY**

3.1 The responsibility for ensuring the Procurement Policy and Standard are followed rests with the Department Directors and the Treasurer.

3.2 Any person involved in the purchasing process on behalf of the Town shall not accept any gifts, trips, cash, remuneration or incentive of any kind from a supplier or potential supplier. The exception is for a token appreciation such as a restaurant meal or similar promotional item with a minimal value.

3.2 **Conflict of Interest** - Full disclosure is required from employees who participate in a procurement process concerning any outside interests that may put themselves into a conflicted situation, real or perceived. If there is determined to be a real or perceived conflict of interest, that employee will not participate in the procurement process.

All suppliers must provide a declaration with their bids stating that they are not in a real or perceived conflict of interest with the Town. Where a supplier believes that a real or perceived conflict of interest may exist, it is required to disclose the nature of the real or perceived conflict of interest in its bid. The Town, in its sole discretion, will determine whether a conflict does exist and, if it does exist, whether it warrants disqualification of the supplier.

3.3 **Confidentiality & Access to Information** - Confidential Supplier information submitted in connection with a procurement process must be adequately protected. The Province is subject to the Freedom of Information and Protection of Privacy Act. Procurement and public sector entities must be aware of and manage their obligations in respect to the maintenance, release and management of all procurement records including personal information.

#### **4.0 GOVERNANCE**

- 4.1 Purchases will not be broken down into smaller dollar values to avoid the authorization required under this Standard.
- 4.2 No person shall award a contract where Town staff has determined that the provisions of this Standard have not been adhered to and has so advised the person responsible for the procurement.
- 4.3 Emergencies which pose a threat to public safety resulting from a fire, flood, water main breaks, storms, environmental emergencies, or equipment failure may require emergency expenditures, notwithstanding the authorities outlined elsewhere in this Standard. The Department Directors are authorized to make emergency expenditures necessary to maintain Town services as per the urgent purchase and emergency exemptions listed in Appendix B. Department Directors will ensure the CAO is kept advised of emergency expenditures. These emergency expenditures shall be reported to Council at the next regular meeting after which the expenditures are known.

#### **5.0 AUTHORITY FOR EXPENDITURES (SEE TABLE ON PAGE 8)**

- 5.1 Staff are authorized to make purchases included in the approved annual budget. If the purchase is not subject to a tender, a Purchase Order (PO) must be prepared in advance, or at the time of the purchase, and approved by the proper level of supervisor. (See Section 6 for PO Preparation).
- 5.2 Staff are authorized to purchase goods and services included in the annual budget subject to Department Director approval and the proper execution of the tendering process (reference Appendix A for a discussion of tendering requirements). Staff involved in the preparation and review of tender documents and submissions must be familiar with the applicable legislation.
- 5.3 Once staff and /or consultants have evaluated tender submissions, the Department Director shall make a written recommendation to the CAO. Once CAO approval is obtained the recommendation is brought to Council for approval. Upon approval by Council the successful bidder shall be notified.

**Procurement Policy  
Authorization Limits**

	Item	Amount (\$)	Required Approval
<b>Non-Budgeted Expenditures</b>	All	< 1,000	Department Director
	All	1,000 - 5,000	CAO
	All	> 5,000	Council
<b>Budgeted Expenditures (Not Requiring Tender/RFP)</b>	All	< 15,000	Department Director
	All	> 15,000	CAO
<b>Quotations Required (minimum of three (3))</b>	Goods	2,000 - 25,000	
	Services	2,000 - 50,000	
	Construction	2,000 - 100,000	
<b>Public Tenders</b>	Goods	> 25,000	Council
	Services	> 50,000	
	Construction	> 100,000	

*All figures include applicable taxes*

## **6.0 PURCHASE ORDER (PO) PREPARATION**

6.1 The purpose of preparing a Purchase Order is to ensure proper approval is obtained for the purchase of specific goods and/or services. Purchase Orders are to be prepared in advance of or at the time of, receiving the goods and/or services. The Purchase Order acts as a source document used to keep track of unbilled items and forecasting cash flow requirements.

6.2 All purchases are to be authorized by purchase order with the exception of the items listed below:

- Utilities, postage, taxes, insurance, debenture payments, payroll remittances, service contracts covered by approved tender
- Approved budgeted payments to external agencies
- Project payments covered by approved tender
- Engineering fees included in capital project budgets

6.3 Purchase order preparation and approval is performed electronically. The established hierarchy of designated approvers must be utilized. Change orders on existing purchase orders for amounts that are under tendering threshold amounts that result in purchase amounts over threshold must be approved as per the hierarchy of designated approvers.

6.4 The purchase order should include the following information:

- Name of supplier
- Date
- Brief item description
- G/L account code (consult with finance if required)
- Cost (estimate if exact amount not known)

### **6.5 Procurement Card -**

Procurement cards can be issued by Finance to approved individuals to acquire items that are within prescribed dollar value limits and merchant code restrictions.

## **7.0 LOCAL PREFERENCE AND SUSTAINABILITY CONSIDERATIONS**

The Town of Riverview is committed to ensuring the long-term sustainability of our community through the implementation of programs, services, policies and plans that consider the four pillars of sustainability -- social, environmental, economic and cultural -- to help create a resilient



town. In support of this initiative the Town will give preference to purchasing goods and services from local businesses in accordance with the following:

- 7.1 Local or provincial preferences **must not** be given on tenders ABOVE \$25,000 (for goods) and \$50,000 (for services), or \$100,000 for provide an exception for those goods or services or those goods construction, unless they are exempted for a legitimate reason as specified in Regulation 94-157 under the Public Purchasing Act. Economic benefit to the town or region must NOT be considered in the evaluation of bids.
- 7.2 If the procurement is LESS THAN \$25,000 for goods, less than \$50,000 for services or less than \$100,000 for construction, AND the Town has clearly identified in the tender that a preference may be given to a New Brunswick or local vendor, then preferential treatment can be given to a vendor. Local preference is defined as a supplier who has a business office located within the Town limits.
- 7.3 In evaluating which goods or services offer best value to the Town, the Town may apply a preference of 5% to the price offered by a local business as compared with non-local businesses, such that the price offered by the local business is adjusted lower by 5% for the purposes of evaluating which goods or services offer best value.
- 7.4 The decision as to whether to apply a local preference to a particular purchase lies with Town Finance staff, in consultation with the responsible Department Head and the Chief Administrative Officer for purchases of LESS THAN \$25,000 for goods, less than \$50,000 for services or less than \$100,000 for construction,
- 7.5 If a local preference is being applied to a purchase, tender documents must state that local preference applies to the purchase.

### **Sustainability considerations**

- In evaluating which goods or services offer best value to the Town, the Town may consider sustainability factors.
- All requests for quotations, notices of tender and RFPs must list the sustainability factors that apply to the purchase, and may include some or all of the sustainability factors contained in Schedule “C” of this Standard.

### **8.0 CO-OPERATIVE PURCHASING**

8.1 The Town may participate with other government agencies or public authorities in Co-operative Purchasing, or exercise the Town's right to call-up goods or services, in accordance with the spending limits established in this Standard, from existing Standing Offers established by the Province of New Brunswick or other public authorities, where it is in the best interests of the Town to do so.

8.2 The policies of the government agencies or public authorities calling the cooperative tender are to be the accepted policy for that particular tender so long as it complies with the requirements of the New Brunswick Procurement Act and all applicable trade agreements.

## **9.0 UNSOLICITED PROPOSALS**

9.1 Unsolicited Proposals received by the Town shall be reviewed by the Department Director and procurement staff.

9.2 Any procurement activity resulting from the receipt of an Unsolicited Proposal shall comply with the provisions of this Standard.

9.3 A Contract resulting from an unsolicited proposal shall be awarded on a noncompetitive basis only when the procurement complies with the requirements of an Alternative Procurement Method as defined in this Standard.

## **10.0 SURPLUS DISPOSAL**

10.1 Department Directors shall submit to Finance staff reports of furniture, vehicles, equipment, stocks of all supplies, and other Goods or materials, which are no longer used or which have become obsolete, worn out, or incapable of being used.

10.2 Town staff may sell by public auction or competitive sealed Bid, all furniture, vehicles, equipment, surplus stock, supplies, or other goods or materials which have become unsuitable for use by the Town or exchange or trade for new or other similar goods or materials

10.3 Sale of surplus furniture, vehicles, equipment, stock, supplies and other goods or materials shall be made to the highest bidder and the sale shall be made in accordance with the provisions of the Town's procurement Policy and Standard.

10.4 Surplus furniture, equipment, stock, supplies and other goods or materials that have been determined by the Town to have no residual value, may, at the discretion of the Department Director, be disposed of as garbage.

10.5 At no time or under any circumstances are the surplus assets of the Town to be disposed of by donation or direct sale to Town employees or retirees. Town employees or retirees may only obtain ownership of surplus through one of the competitive bidding methods described herein.

11 The CAO, upon a recommendation from Finance staff and Department Managers, may set aside the requirements of 10.0 (1) to(5) so as to donate, or negotiate a direct transfer by sale, of surplus furniture, equipment, stock, supplies or goods valued under \$5,000 to another municipality or any recognized or registered charity. Over \$5,000 Town Council's approval is required.

## **APPENDIX A - THE TENDERING PROCESS**

### **1.0 PURCHASE VALUE**

The value of the purchase must be estimated at the time the tender is issued and must include the total financial commitment resulting from the purchase including taxes, commissions, tariffs, duties, installation costs, premiums, fees, transportation costs, interest and any other costs incidental to the purchase.

In the case of long-term contracts the value must include all of the compulsory part of the contract but not the cost of optional renewals if the duration is more than one year. For example, a \$20,000 per year cleaning contract for three (3) years with the option to renew for an additional two (2) years would be valued at \$60,000 (i.e. 3 x \$20,000). It is not permitted to design purchases, select a valuation method or divide purchase requirements with the intention of avoiding obligations imposed by the legislation or agreements.

### **2.0 BID SPECIFICATIONS**

The Business Owners are responsible for developing the requirements and specifications of the required goods or services and completing the procurement templates.

Finance personnel are responsible for:

- a. Providing procurement advice and services to departments
- b. Monitoring compliance with this Standard
- c. Notifying Departments, in advance if possible, of non-compliance and
- d. Informing departments whenever non-compliance with this Standard has occurred.

### **3.0 METHODS OF PROCUREMENT**

#### **Request for Quotation (RFQ)**

The Town will issue an RFQ when the goods or service required is well defined and is readily available. Award is based on the lowest priced bid that meets all mandatory requirements and specifications.

#### **Request for Tender**

The Town will issue an RFT to acquire construction and other services where price is the only deciding factor. Award is based on the lowest priced bid that meets all mandatory requirements and specifications. The specifications and submission requirements for an RFT are typically more

complex than an RFQ. Deliverables, and work to be undertaken, are specified in detail and must be adhered to by the contractor.

### **Request for Proposal (RFP)**

The Town will issue an RFP in situations where there is a general understanding of what is required and the supplier's expertise is needed to develop or perfect the desired end product or service based on information provided by the Town. The RFP process helps to ensure that all possible suppliers have an equal opportunity to satisfy the Town's requirements. The RFP will include predetermined evaluation criteria where price is not the only consideration in selecting a supplier. An RFP is awarded to the supplier offering the best overall value (i.e. that meets all mandatory requirements and scores highest).

### **Procurement Card**

Procurement cards can be issued by Finance to approved individuals to acquire items that are within prescribed dollar value limits and merchant code restrictions.

## **4.0 TENDERING PERIOD**

Tenders over the thresholds (\$25,000 for goods, \$50,000 for services and \$100,000 for construction) remain open for a period of not less than fifteen (15) calendar days, which includes the date it was first advertised and the closing date. Tenders will be advertised on the New Brunswick Opportunities Network (NBON) for a minimum of 15 calendar days. If required, newspaper advertisements can be used to supplement the NBON advertisement.

## **5.0 FORUMLATION OF A TENDER**

For every tender issued, one contact person should be identified. The Town is responsible to ensure that all potential bidders receive the same information, and having only one contact person identified in the tender makes that process easier.

A tender may consist of two parts, namely the **tender notice** and the **tender documents**. For simple, straight forward tenders, these parts may be combined.

### **Tender Notice**

The tender notice is the part of the tender that will be advertised. When applicable, it should contain, as a minimum, the following information:

- The solicitation number
- A brief description of goods or services being procured

- The location where relevant information or the tender documents may be obtained
- The conditions for obtaining the tender documents
- The location where a bid submission shall be submitted
- The date and time by which a bid submission shall be submitted
- The date, time and location that bid submissions are to be opened, if the submissions are to be publicly opened.
- For the procurement of goods or services that are subject to a trade agreement, the tender notice shall include the name of the trade agreement and the relevant chapter number in the trade agreement.
- A statement that indicates the purchase is subject to the Public Purchasing Act or the Crown Construction Contracts Act (when applicable)

### **Tender Documents**

The tender document is the part of the tender that is distributed by the Town and contains the following key information:

- Detailed specifications, terms, conditions, mandatory requirements etc., for the purchase (as applicable)
- Delivery requirements and address
- If negotiations are allowed, the details surrounding what can be negotiated and how negotiations will be conducted.
- The ability to waive minor non-compliance.
- Evaluation criteria and relative weights if criteria other than price are to be used in the evaluation (e.g. RFP's).
- Point of contact for inquiries, clarifications, etc.
- Any other relevant information.

### **6.0 BID DEPOSIT/RECEIVING BIDS**

Bids received must be:

- Date and time stamped
- Placed in a secure location, in a locked receptacle which must remain unopened until the prescribed date and time for the bid opening.

The Town shall keep a log and/or ask for signatures when tender documents are submitted.

## **7.0 TENDER OPENING**

Bids must remain in a locked receptacle until tender opening. Bids will be accepted in accordance with the closing time and date stipulated in the bid request.

Bids will be opened as soon as possible after the closing time and date specified in the bid documents. Town staff is responsible for opening the Bids in accordance with the tender document. If requested, a list of respondents will be provided. Bid submissions remain confidential and are subject to evaluation in private after opening and before award of contract.

No award is to be made at the time of opening bids.

## **8.0 BID EVALUATION AND TENDER AWARD**

Bids must be evaluated on the basis of criteria specified in the tender documents. If no other criteria are specified, price will be the primary consideration. The capacity of the bidder to meet the mandatory requirements and criteria stated in the bid request documents is a critical item.

Generally a tender is awarded to the lowest priced bid or to the highest scoring compliant proposal (in the case of RFP'S). A compliant bid is one that meets all mandatory conditions and specifications in the tender.

## **9.0 TENDER RESULTS**

Where an award was made based on price only (to the lowest compliant bid), the Town may disclose, upon request, the following information to a vendor who has submitted a bid on that particular tender:

- a list of all suppliers who submitted a compliant bid on that tender
- the name and total bid price of the successful bidder.

## **10.0 DISCLOSURE OF TENDER RESULTS/DEBRIEFINGS**

After a procurement contract has been awarded and on the request of an unsuccessful supplier, the Town can provide the unsuccessful supplier with a debriefing on the procurement process, if requested.

During a debriefing, the Town **shall not** reveal the following information, except as otherwise provided for in Regulation 2014-93:

- (a) the bid of another prospective supplier; and
- (b) the score and ranking of another prospective supplier, including those of the successful supplier.

The objective of the debrief is to provide information that will assist the unsuccessful proponent to improve on their next proposal. The Town is not obligated, and should not, release information contained in bids or proposals that could reasonably be considered to be proprietary or adversely affect the commercial interests of the bidder (e.g. information such as unit pricing, the company's financial situation, RFP's methodology, etc.). The name and total bid price of the successful bidder can be provided.

## **11.0 APPROVALS**

**Approval of award-recommendation documents that result in contract awards arising from a public bid process must be evidenced by signature from the Department Director of the originating department.**



## **APPENDIX B - ALTERNATIVE PROCUREMENT METHODS – EXEMPTIONS**

### **Exemptions under section 152 through 159, section 161 and section 166 of the Regulation under the Procurement Act**

#### **LIMITED COMPETITIVE BIDDING – UNDER SECTION 152**

The Town may grant exemptions from the public tendering process and invite bids from select suppliers for the following goods and services:

**(a) Goods for Resale to the Public**

Purchase of goods intended for resale to the general public;

**(b) Third Party**

Purchase of goods or services procured on behalf of an entity that is subject to neither the Act nor a trade agreement;

**(c) Philanthropic**

Purchase of goods or services procured from a philanthropic institution or goods manufactured by or services provided by incarcerated persons or persons with disabilities;

**(d) Restricted Movement**

Purchase of goods that are legally restricted from moving interprovincially, if the restriction is consistent with applicable trade agreements;

**(e) Financial Analysts or Management of Investments**

Purchase of services of a financial analyst or the management of investments by an organization, if that is one of the organization's primary purposes;

**(f) Financial Management Services**

Purchase of financial services respecting management of a Schedule A entity's or a Schedule B entity's financial assets and liabilities, including treasury operations and ancillary advisory and information services, regardless of whether they are delivered by a financial institution;

**(g) Health Services and Social Services**

Purchase of health services and social services

**(h) Advertising and Public Relations**

Purchase of advertising and public relation services, if the estimated value is less than \$200,000;

**(i) Purchase from Department or Public Body**

Purchase of goods or services procured from a Schedule A entity, a Schedule B entity, another jurisdiction or a public body;

**(j) Transportation Services**

Locally-owned Trucks - Purchase of transportation services provided by locally-owned trucks for hauling aggregate on highway construction projects;

**(k) Road Repair Materials**

Purchase of construction materials if it can be demonstrated that transportation costs or technical considerations impose geographical limits on the available supply base, specifically in the case of sand, stone, gravel, asphalt compound and premixed concrete used in the construction or repair of roads; and

**(l) Cultural or Artistic**

Purchase of goods and services related to cultural or artistic fields.

**LIMITED COMPETITIVE BIDDING – SECTION 153(1)**

The Town may grant exemptions from the public tendering process and invite bids from select suppliers for the following goods and services:

**(a) Sporting and Convention Facility**

If the procuring entity operates a sporting or convention facility, goods or services procured in order to comply with a commercial agreement that is incompatible with a trade agreement and that was entered into with an entity that is not subject to a trade agreement;

**(b) Non-profit Organization**

Purchase of goods and services procured from a non-profit organization, other than a good or service referred to in paragraph 152(c) of Regulation;

**(c) Representational or Promotional Purposes – Goods**

Purchase of goods procured for representational or promotional purposes;

**(d) Representational or Promotional – Services**

Purchase of services procured for representational or promotional purposes outside the Province; and

**(e) Urgent Purchase**

Purchase of goods and services urgently required due to unforeseen circumstances that cannot be obtained in a timely manner through an open competitive bidding process.

***Please note that the exemptions listed in section 153(1) can be used by a municipality entity regardless of value as they are not subject to international trade agreements.***

**COMPATIBILITY WITH EXISTING GOODS – SECTION 154(1)**

In order to ensure compatibility with existing goods, the municipality may restrict a solicitation for submissions to a specific product without the possibility of substitution and, when doing so shall use an open competitive bidding process.

***Please note that the exemptions listed in section 154(1) can be used by a municipality regardless of value as they are not subject to international trade agreements.***

**PROCUREMENT RESTRICTED TO CANADIAN GOODS, CANADIAN SERVICES OR CANADIAN SUPPLIERS – SECTION 155(1)**

The Town may use a limited competitive bidding process to restrict procurement to Canadian goods, Canadian services or Canadian suppliers if the following conditions are met:

- (a)** The procuring entity is satisfied that there is sufficient competition among prospective Canadian suppliers;
- (b)** The solicitation documents advise all qualified prospective suppliers of the use of the preference in the procurement process and of the applicable rules for determining Canadian content; and
- (c)** The requirement for Canadian content is no greater than necessary to qualify the procured good or service as a Canadian good or service.

***Please note that the exemptions listed in section 155(1) can be used by a municipality regardless of value as they are not subject to international trade agreements.***

## **SINGLE SOURCE OF SUPPLY – SECTION 156**

The Town may grant exemptions from the public tendering process and enter into a mutual agreement if only one prospective supplier is able to meet the procurement requirements in any of the following circumstances:

**(a) Exclusive Rights**

Sole Source In order to recognize exclusive rights, such as exclusive licenses or copyright or patent rights, or to maintain specialized goods that must be maintained by the manufacturer or its representative;

**(b) No Competition**

Where there is an absence of competition for technical reasons, and the goods or services can be supplied by only one person and no alternative or substitute exists;

**(c) Statutory Monopoly**

For the supply of the good or service is controlled by a supplier that is a statutory monopoly;

**(d) Commodity Market**

For the procurement of goods on a commodity market;

**(e) Work Performed in Leased Building**

Where the procuring entity requires work to be performed on or about a leased building that may be performed only by the lessor;

**(f) Warranty or Guarantee**

Where the procuring entity requires work to be performed on property by a contractor according to the provisions of a warranty or guarantee with respect to the property or with respect to the original work of the contractor;

**(g) Prototype or First Good or Service**

Where the good or service being procured is a prototype or a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases;

**(h) Exceptionally Advantageous Circumstances**

For the procurement of goods under exceptionally advantageous circumstances such as a bankruptcy or receivership, but not to make routine purchases; or

**(i) Original Work of Art**

For the procurement of an original work of art.

**SINGLE SOURCE OF SUPPLY – SECTION 157(1)**

The Town may grant exemptions from the public tendering process and enter into a mutual agreement if only one prospective supplier is able to meet the procurement requirements in any of the following circumstances:

**(a) Winner of design contest**

Where the procurement contract is to be awarded to the winner of a design contest;

**(b) Newspapers, Magazines or other periodicals**

Where the procurement contract is for subscriptions to newspapers, magazines or other periodicals; or

**(c) Compatibility**

Where the goods procured must be compatible with existing products.

***Please note that the exemptions listed in section 157 (1) can be used by a municipality regardless of value as they are not subject to international trade agreements.***

**MUTUAL AGREEMENT– SECTION 158**

The Town may grant exemptions from the public tendering process and enter into a mutual agreement in order to procure the following goods or services:

**(a) Specific Skills**

Services with an estimated value of less than \$50,000, if it can be shown that due to a need for specific skills, knowledge or experience, only one person or a very limited number of persons meet the requirements of the procurement;

**(b) Emergency**

Goods or services immediately required due to an unforeseen emergency situation that is not attributable to the procuring entity and the goods or services cannot be obtained in a timely manner through an open procurement process;

**(c) Maintain Security, Protect Human, Animal or Plant Life or Health**

Goods or services that, if procured by an open competitive bidding process, would impair the procuring entity's ability to maintain security or order or to protect human, animal or plant life or health;

**(d) Resale to public**

Goods intended for resale to the public;

**(e) Third Party**

Goods or services procured on behalf of an entity that is subject to neither the Act nor a trade agreement;

**(f) Philanthropic**

Goods or services procured from a philanthropic institution or goods manufactured by or services provided by incarcerated persons or persons with disabilities;

**(g) Restricted Movement**

Goods that are legally restricted from moving interprovincially, if the restriction is consistent with the applicable trade agreements;

**(h) Financial Analysts**

The services of a financial analyst or the management of investments by an organization, if that is one of the organization's primary purposes;

**(i) Financial Management Services**

Financial services respecting management of a Schedule A entity's or a Schedule B entity's financial assets and liabilities, including treasury operations and ancillary advisory and information services, regardless of whether they are delivered by a financial institution;

**(j) Health Services and Social Services**

Health services and social services;

**(k) Advertising or Public Relations**

Advertising and public relation services advertising and public relation services, if the estimated value is less than \$200,000;

**(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;

**(m) Transportation Services**

Locally-owned Trucks - Transportation services provided by locally owned trucks for hauling aggregate on highway construction projects;

**(n) Road Repair Materials**

Construction materials if it can be demonstrated that transportation costs or technical considerations impose geographical limits on the available supply base, specifically in the case of sand, stone, gravel, asphalt compound and premixed concrete used in the construction or repair of roads; and

**(o) Cultural or Artistic Fields**

Goods or services related to cultural or artistic fields.

**MUTUAL AGREEMENT – 159(1)**

The Town may grant exemptions from the public tendering process and enter into a mutual agreement in order to procure the following goods or services:

**(a) Urgent Purchase**

Purchase of goods or services urgently required due to an unforeseen circumstance that is not attributable to the procuring entity and the goods or services cannot be obtained in a timely manner through an open procurement process;

**(b) Confidentiality**

Purchase of goods or consulting services regarding matters of a confidential or privileged nature, if the disclosure of those matters through an open competitive bidding process could reasonably be expected to compromise government confidentiality, cause economic disruption or otherwise be contrary to the public interest;

**(c) Cooperation Agreement**

Purchase of goods or services procured under a contract that is to be awarded under a cooperation agreement that is financed, in whole or in part, by an international cooperation organization, but only to the extent that the agreement between the procuring entity and the organization includes rules for awarding contracts that differ from the obligations set out in the applicable trade agreements;

**(d) Sporting and Convention Facility**

Purchase if the procuring entity operates a sporting or convention facility, goods or services procured in order to comply with a commercial agreement that is incompatible with a trade agreement and that was entered into with an entity that is not subject to a trade agreement;

**(e) Non-Profit Organization**

Purchase of goods and services procured from a non-profit organization, other than a good or service referred to in paragraph 158(f) of Regulation;

**(f) Representational or Promotional Purposes**

Goods Purchase of goods procured for representational or promotional purposes; and

**(g) Representational or Promotional Purposes – Services**

Services procured for representational or promotional purposes outside the Province.

***Please note that the exemptions listed in section 159(1) can be used by a municipality regardless of value as they are not subject to international trade agreements***

**REGIONAL ECONOMIC DEVELOPMENT – EXEMPTION FOR SCHEDULE B ENTITY  
(MUNICIPALITY) – 161**

In exceptional circumstances and after consultation with Board of Management, the Minister may grant to a municipality a temporary exemption under section 18 of the Act for the purposes of regional economic development:

- (a)** The Municipality has demonstrated to the satisfaction of the Minister that a region of the Province may gain a significant economic benefit from granting the exemption, and
- (b)** The procurement will comply with applicable trade agreements.

**PROFESSIONAL SERVICES EXEMPTION – 166**

The following Professional Services that may only be provided by licensed professionals listed in section 166 of Regulation 2014-93 under the Procurement Act are exempt from the application of the Act:

- (a) engineers
- (b) architects
- (c) land surveyors
- (d) accountants
- (e) lawyers
- (f) notaries
- (g) medical doctors
- (h) dentists



- (i) nurses
- (j) midwives
- (k) pharmacists
- (l) psychologists
- (m) veterinarians

***The services acquired must be those that are legislatively required to be provided by the above mentioned licensed professionals.***

## **APPENDIX C - SUSTAINABILITY FACTORS**

Sustainability factors that can be used in determining best value:

### **Environmental**

- Is the product durable?
- Is it energy or fuel efficient?
- Is it certified by a recognized standards body or bodies (eg. Energy Star, , FSC, etc.)?
- Is it toxic or utilize toxic substances in manufacturing or operation?
- What is the 'full- cost' and 'full-life' of the product in terms of natural resource depletion, manufacturing impact (energy, pollution), transportation emissions, operation emissions, and disposal (waste)?
- Is it made from recycled materials?
- Is it recyclable?
- Is it minimally packaged?
- In the case of services, are the services delivered in a manner that minimizes energy consumption and carbon emissions?

### **Social**

- Is the product ethically produced or services ethically provided, including:
  - fair wages for employees?
  - reasonable and safe working conditions for employees?
  - employees' human rights respected?
  - product tested on animals?
- Is it certified by a recognized standards body or bodies (e.g. TransFair, ISO)?
- Is there an opportunity to serve affirmative action goals?
- Is it healthy?

### **Economic**

- What is the return on investment over the life on the product?
- Does the purchase support the local economy?
- What is the value to shareholders?
- Does the purchase support innovation and young entrepreneurs?
- What is the potential for growth?
- What are the risk factors?
- Is fair trade supported?
- Are opportunities for profit sharing available?

## **APPENDIX D – DEFINITIONS**

In this Standard:

1. **“Alternative procurement practice or method”** means the purchase of goods or services without a public tender or other competitive process, usually due to an emergency or through sole sourcing, in the circumstances described in Appendix B of this Standard;
2. **“Award”** means authorization to proceed with the Purchase of Goods, Services and Construction from a chosen Supplier;
3. **“Best Value”** means evaluating purchase options not only on purchase price and life cycle cost considerations, but also taking into account items such as sustainability factors, delivery, servicing and the capacity of the supplier to meet other criteria as stated in tender documents;
4. **“Bid”** means an offer or submission from a Supplier in response to a Bid Solicitation;
5. **“Budget(s)”** means Council approved annual General Fund Operating and Capital Budgets including authorized revisions;
6. **“Contract”** means a binding agreement by way of a Purchase Order or Purchase Order incorporating a formal agreement or a formal agreement between two or more parties that creates an obligation to provide goods or services;
7. **“Council”** means the Council of the Town;
8. **“Disposal”** means the removal of material from the Town by sale, trade-in, alternative use or destruction;
9. **“Life Cycle Cost”** means the total costs associated with a product or asset over its life span, including the cost of maintenance, repair, operation and disposal;
10. **“Public Tender”** means publicly advertising the Town’s intended procurement of certain goods or services and inviting responses from interested suppliers. Public tenders include traditional tenders and requests for proposals, and are described at Appendix “A” of this Standard;
11. **“Purchase Order”** means a written offer to a Supplier formally stating all terms and conditions to Purchase Goods, Services or Construction or a written acceptance of an offer received in accordance with this Standard;
12. **“Quote”** means a Bid submitted in response to a Request for Quotation;
13. **“Request for Proposals”** or “RFP” means a formal invitation to suppliers to describe how their services, methods, equipment or products can address and/or meet the needs of the Town. Requests for proposals are described at Appendix “A” of this Standard;
14. **Request for Quotation** means obtaining written price quotations from a number of different suppliers. Requests for quotations are described at Appendix “A” of this Standard.
15. **“Request for Supplier Qualification”** is an invitation to suppliers of goods, service and construction and shall be used for the purpose of selecting qualified bidders if the nature of the work or service to be performed requires defined minimum standards.
16. **“Request for Expression Of Interest”** shall be used to determine the interest in the marketplace in providing goods, services, construction or facilities contemplated to be procured by the Town.

17. **"Request for Tender"** means obtaining written price quotations from a number of different suppliers in response to advertised Request for Tenders. Requests for Tenders are described at Appendix "A" of this Standard.
18. **"Standing offer"** means a source of supply available to the Town either through a standing price agreement with a supplier or as a member of a larger group of purchasers. Standing offers are described at Appendix "A" of this Standard;
19. **"Supplier"** an individual or a corporation in the business of providing goods, services or construction materials and/or services for a fee;
20. **"Sustainability factors"** means environmental and social considerations, including those described in Appendix C to this Standard;
21. **"Town"** means the Town of Riverview;
22. **"Traditional tender"** means a formal invitation to suppliers to submit a bid to supply specified goods or services. Traditional tenders are described at Appendix "A" of this Standard.

<b>Policy Name</b>	<b>PROCUREMENT STANDARD</b>
<b>Date Approved</b>	
<b>Approver</b>	Town Council Motion #
<b>Date Of Review</b>	
<b>Document Version</b>	1.0
<b>Scope &amp; Compliance</b>	<p>This Standard applies to all Town Council members, employees of the Town, and suppliers retained to assist the Town.</p> <p>Compliance with this Standard is mandatory for all Town Council members, all Town employees and suppliers retained to assist the Town.</p>