

DISTRICT OF CARLETON NORTH

PROCUREMENT POLICY

POLICY NO: F-01

Category:	Finance
Policy Number:	F-01
Effective Date:	March 28, 2023
Approval by Council:	March 28, 2023

1. APPLICABLE LEGISLATION:

1.1. The following Legislation is applicable to this Procurement Policy:

- a) Procurement Act (S.N.B.2012, C20) and Regulation 2014-93;
- b) Crown Construction Contracts Act and Regulations;
- c) Agreement on Internal Trade.

1.2. Any disposition of the Procurement Act of New Brunswick and its regulations are applicable at any time. This policy is intended as a complement to the Procurement Act. In case of disparity between this policy and a municipal by-law, a provincial or federal law, the latter will prevail.

2. GOAL:

- 2.1. To establish uniform rules, norms and procedures for the purchase of goods, services and construction by municipal departments in the District of Carleton North.
- 2.2. To assist municipal personnel in the purchase of goods, services and construction necessary for the smooth operation of the municipality while respecting the Procurement Act and its regulations.
- 2.3. To eliminate any possible conflict of interest according to Part 8 of the Local Governance Act 2017, ch. 18.
- 2.4. To obtain the best possible good, service and construction at the best price while encouraging and supporting local businesses.

3. GENERAL:

- 3.1. This policy applies to every department of the District of Carleton North. This policy also applies to all agencies, board of directors or commissions directly under the responsibility of the District of Carleton North.
- 3.2. Given the importance of the purchasing function, the Town has determined that the responsibility for ensuring that these policies and procedures are implemented fairly and applied consistently shall rest with the Department Heads and the Treasurer, who shall report all deviations from them to the Chief Administrative Officer for their action.
- 3.3. All dollar values used in this document exclude taxes.
- 3.4. All purchases (within their limits) must be approved by the Department Head and he/she shall prepare all reports on matters relative to the purchasing function, for consideration by the Chief Administrative Officer and/or Council, if required.
- 3.5. Fragmentation of purchases shall not be used to circumvent this policy (i.e. purchases shall not be broken down into smaller dollar values for appropriate authorization).
- 3.6. Cooperative purchasing with other municipalities and the Provincial Government's Department of Transportation and Infrastructure will be actively encouraged and practiced when assessed as the most cost-effective method of procurement.

4. DEFINITIONS:

- 4.1. *Construction* means a construction, reconstruction, demolition, repair or renovation of a building, structure, road or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included as an incidental to the construction, and the installation and repair of fixtures of a building, structure, road or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.
- 4.2. *Department Heads* include Directors of the following: Operations, Tourism & Recreation, Finance, Administration, Public Safety, and Human Resources, as well as the Treasurer.
- 4.3. *Estimated Value* means the estimated maximum total value of a procurement contract and any optional renewals of a procurement contract or, in the case of a standing offer agreement, the estimated maximum total value of all procurement contracts anticipated under the agreement for its original duration and any optional renewals of the procurement contracts, and includes transportation costs, maintenance costs, costs associated with the manufacture of goods, installation costs, tariffs, duties, premiums, fees, commissions, interest and any other costs incidental to the purchase of the goods or

services, but does not include taxes.

- 4.4. *Goods* mean, in relation to procurement, raw materials, products, supplies, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract.
- 4.5. *Operational Supervisors* include the following positions: Clerk and Assistant Clerk.
- 4.6. *Procurement Act* means the Procurement Act RSNB 2012, ch. 20 and its Regulation 2014- 93, including any amendments thereto.
- 4.7. *Schedule A entities* are government departments and agencies.
- 4.8. *Schedule B entities* are regional health authorities, municipalities, universities and community colleges, and other government funded bodies.
- 4.9. *Services* mean, in relation to procurement, all services including printing, garbage removal, snow removal, janitorial services, studies, utilities, consulting, professional services, etc., unless the services form part of a general construction contract.

If there are any doubts in the interpretation of these definitions, contact the Chief Administrative Officer.

5. AUTHORITY:

- 5.1. Budgeted Expenditures: Municipal personnel are authorized to purchase goods, services and construction, for which funds have been included in the operational budget, as follows:
 - a) Chief Administrative Officer: \$25,000
 - b) Department Heads: \$3,000
 - c) Fire Chiefs: \$1,500
 - d) Operational Supervisors: \$1,500
- 5.1.1. Any purchase done for the District of Carleton North that is a budgeted expenditure is subject to the following approvals:
 - a) By the Chief Administrative Officer for amounts more than the municipal personnel authorized limit, but less than \$25,000.
 - b) By the Department Head or their representative for amounts of \$3,000 or less.
 - c) By the Fire Chief for amounts of \$1,500 or less.
 - d) By the Operational Supervisors for amounts of \$1,500 or less.

- 5.2. Unbudgeted Expenditures: Municipal personnel are authorized to purchase goods, services, and construction for which funds have not been included in the operational budget, as follows:

- a) Chief Administrative Officer: \$10,000
- b) Department Heads: \$0
- c) Fire Chiefs: \$0
- d) Operational Supervisors: \$0

- 5.2.1. Any purchase done for the District of Carleton North that is an unbudgeted expenditure is subject to the following approvals:

- a) By the Chief Administrative Officer for amounts less than \$10,000, subject to fund availability.
- b) By Town Council resolution for any purchase over \$10,000 that is an unbudgeted expenditure or requires the signature of official municipal representatives. Due to time constraints, Council approval may be via email, but is still subject to Council resolution at the next available Council meeting.
- c) Emergency Purchases: True emergencies generally occur as a result of fire, flood, water breaks or equipment repairs. Notwithstanding the authorities outlined elsewhere in this policy, the Chief Administrative Officer or designate in conjunction with the Department Heads and the applicable Committee Chair, is authorized to make an emergency expenditure deemed necessary in order to maintain services within the Town, up to \$25,000. Such expenditures must be reported to Council at a Special or Regular Meeting of Council. Due to time constraints, Council approval may be via email, but is still subject to Council resolution at the next available Council meeting.

6. SUPPLY AGREEMENTS:

- 6.1. In order that the Town can guarantee continuous supply of various goods and services, which are required on a day to day basis, while at the same time assuring that the competitive bidding system is followed, the Department Heads, where applicable and practical, may establish supply agreements.
- 6.2. A supply agreement is an arrangement between the Town and a vendor/contractor which commits the seller to provide goods or services at a specific price for a specific period of time and commits the Town to purchase from the seller during that period.
- 6.3. These agreements will reduce the number of individual bids for the same items which will result in lower costs due to higher volumes and less time required to process orders.

7. PURCHASE PROCESS:

- 7.1. Internal control directive: Any purchase must follow the internal control policy in place by the Finance department at the time of purchase.
- 7.2. Identify the need: Clearly identify the necessity of the good or service to be purchased. Be as precise as possible and evaluate the need to obtain specifications from vendors.
- 7.3. Determine the value: Determine, as precisely as possible, the value of the necessary purchase. The value must include all costs associated with the purchase (taxes, transportation, etc.). For any purchase of rental space, contract length must be considered (lease of \$__ per month x 12 months x # of years). If a value is determined by asking for an estimate from vendors, specify clearly that the request does not constitute a tender request, but is an information request.
- 7.4. Verify the thresholds in the Procurement Act: Compare the value of the good or service to be purchased with the thresholds pre-determined by law which are:
 - a) \$121,200 for the purchase of a GOOD, SERVICE or CONSTRUCTION;
 - b) For CONSTRUCTION between \$100,000 (Quebec-NB trade agreement) and \$302,900 (CFTA), an open competitive bidding process is permitted to be restricted to NB and Quebec companies. Above \$302,900 in construction is open to all (no restrictions permitted).

*Pursuant to Regulation 2014-93 under the Procurement Act, s. 4.1(1) and (2), the thresholds in section 7.4 are as of January 1, 2022 and will be adjusted on January 1st every 2 years thereafter for inflation as advised by the Canadian Free Trade Agreement (CFTA).
- 7.5. Verifications may be done from time to time by the Director of Finance or their representative on any purchase done for the municipality.
- 7.6. The Chief Administrative Officer or designate will be responsible for the control of tender requests under this policy.
- 7.7. At all times, Department Heads will ensure that purchases made for their departments represent the best quality/price ratio and respect budgeted amounts as approved by Town Council.
- 7.8. Department Heads will be responsible for all purchases made by their departmental staff.
- 7.9. Department Heads shall establish an agreement with the Chief Administrative Officer or designate, or Town Council per this policy, before proceeding with any purchase exceeding their annual budgets.
- 7.10. Preferential treatment may be given to local manufacturers, vendors and suppliers under the following conditions:
 - a) The Town shall observe the following order of priority:

- 1) New Brunswick manufacturers
- 2) New Brunswick vendors
- 3) Atlantic suppliers

b) Allowed ranges for preferential treatment are as follows:

- i. for a procurement contract with an estimated value of \$250,000 or less, a variation of 10% or \$15,000, whichever is less;
- ii. for a procurement contract with an estimated value greater than \$250,000 and less than \$1,000,000, a variation of 5% or \$25,000, whichever is less;
- iii. for a procurement contract with an estimated value of \$1,000,000 or greater, but less than \$5,000,000, a variation of 2.5% or \$100,000, whichever is less;
- iv. for a procurement contract with an estimated value of \$5,000,000 or greater, but less than \$10,000,000, a variation of 2.5% or \$200,000, whichever is less; and
- v. for a procurement contract with an estimated value of \$10,000,000 or greater, a variation of 2.5% or \$400,000, whichever is less.

7.11. It is not permitted to design procurement, select a valuation method, or divide purchase requirements with the intention of avoiding obligations imposed by the legislation or agreements. Approval by the Chief Administrative Officer must be received prior to utilising exemptions (Section 13 of this Policy) as per the Procurement Act.

8. EXPENDITURES OF LESS THAN \$3,000:

8.1. All purchases with a value of up to \$3,000 shall be made as expeditiously as possible with the authority as authorized in this Policy. Where possible, the purchaser should try to obtain more than one price for the goods or service being purchased so that the Town receives the best value for the dollar; however goods or services in this category may be obtained without competitive bids.

9. EXPENDITURES BETWEEN:

- a) \$3,001 AND \$121,200 for GOODS
- b) \$3,001 AND \$121,200 for SERVICES, or
- c) \$3,001 AND \$121,200 for CONSTRUCTION

*Pursuant to Regulation 2014-93 under the Procurement Act, s. 4.1(1) and (2), the upper thresholds in section 9 are as of January 1, 2022 and will be adjusted on January 1 every 2 years thereafter for inflation as advised by the Canadian Free Trade Agreement (CFTA).

9.1. Expenditures in these categories shall require competitive quotes so that the Town receives the best value for the dollar. Specifications, terms, and conditions shall be determined and quotations requested from as many suppliers as practical, but normally, not less than three.

9.2. These quotes may be by fax, email or written.

9.3. The authorities for all purchases in this class are covered in Section 5 of this Policy.

9.4. Procedures:

- a) Departments will anticipate their needs, with sufficient lead time to allow for the competitive bidding process.
- b) Requests for goods and/or services, complete with sufficient detail to allow for competitive bidding, will be prepared by or forwarded to the Department Head, as the case may be.
- c) The Department Head will prepare a request for quotation according to the Guidelines for Requests for Quotations (Section 9.5).
- d) Requests shall be sent to all companies which have indicated an interest and ability to supply. Quotations should be requested from as many suppliers as practical, but generally, not less than three. The request should have a date and time the quote is required by.
- e) Quotes will be tabulated by the Department Head on a Quote Tracking Form ("Appendix A") and submitted to the Director of Finance prior to the purchase being made.
- f) The Department Head will ensure that the proper authorizations have been obtained.

9.5. Guidelines for Requests for Quotations/Proposals: The following information, as applicable, should be on any request for quotation or proposal sent out (See attached Appendix B: Request for Quotation):

- 9.5.1. The good or service that quotes were requested for, along with minimum specifications and any other pertinent information;
- 9.5.2. To whom quotations or proposals are to be submitted;
- 9.5.3. Date and time quotations are required;
- 9.5.4. A statement that all prices should be quoted net of taxes with a separate line quoting FOB (freight on board) to the appropriate final destination;
- 9.5.5. A statement to the effect that "The Town does not, by virtue of any proposal call, tender, or request for quotation or proposal, commit to an award, nor does the Town limit itself to accepting the lowest price of any submitted, but reserves the right to award, or not to award, in any manner deemed to be in the Town's

- best interest.”;
- 9.5.6. Required delivery date;
 - 9.5.7. Proof of WorkSafe NB registration, if applicable;
 - 9.5.8. Proof of Insurance, if applicable;
 - 9.5.9. A place for the vendor's name, address, phone #, email, and signature;
 - 9.5.10. A statement whether fax or phone quotes are acceptable or not;
 - 9.5.11. A statement whether a quote can be accepted in whole or in part;
 - 9.5.12. A statement whether substitute products will be considered;
 - 9.5.13. Building/Demolition Permit required, if applicable;
 - 9.5.14. Any other conditions or stipulations that may apply;
 - 9.5.15. A waiver such as, “The undersigned declares that the only persons interested in this quote as principals are named herein as such; that this quote is made in good faith, without fraud, collusion or connection with any other person quoting for the supply of these supplies and/or services; that he has carefully examined the specifications for this quote and made all the necessary inquiries; that from his knowledge thus obtained, agrees that upon notice that this proposal will be accepted by the Town, he will supply the supplies and/or services in accordance with the attached specifications.”
 - 9.5.16. A request for a resume or list of references (optional).
- 9.6. For all purchases with a value between \$3,001 and \$121,200 (with subsequent adjustments for inflation increases in upper threshold as outlined in Section 7.4), Appendix A: Quote Tracking Form shall be completed by the appropriate person. This form shall show the following:
- 9.6.1. The good or service that bids were requested for;
 - 9.6.2. Who the Town received quotations from;
 - 9.6.3. The amount of each quotation;
 - 9.6.4. Whom the good or service will be purchased from, and the reasons why, if not purchased from the lowest bidder;
 - 9.6.5. The CAO’s and Director of Finance’s initials indicating they have reviewed and

approved the form;

9.6.6. Once approved by the Director of Finance and where applicable based on spending authority, the appropriate Department Head, the Chief Administrative Officer and/or Council, the Quote Tracking Form will be returned to the appropriate person for the issuance of purchase. After the purchase is issued, the Quote Tracking Form will be held by the Department Head and attached to the vendor's invoice, prior to approval for payment, as evidence that these procedures were followed.

9.6.7. In the case of supply agreements, purchases from the same vendor on an ongoing nature, or purchases of goods or services that are exempt, a Quote Tracking Form is not required for each individual invoice.

10. EXPENDITURES OF MORE THAN:

- a) \$121,200 for GOODS
- b) \$121,200 for SERVICES, or
- c) \$121,200 for CONSTRUCTION

*Pursuant to Regulation 2014-93 under the Procurement Act, s. 4.1(1) and (2), the thresholds in section 10 are as of January 1, 2022 and will be adjusted on January 1 every 2 years thereafter for inflation as advised by the Canadian Free Trade Agreement (CFTA).

10.1 A Request for Proposal (RFP) may be used when procuring complex services where the method of completing a project is usually left up to the suppliers.

10.1.1 Any anticipated expenditures under the thresholds listed above may be advertised as an RFP instead of a public tender.

10.1.2 Any anticipated expenditures over the thresholds listed above must be advertised as an RFP on NBON for a minimum of 10 calendar days, but more complex RFPs must be advertised for a longer duration suitable to the complexity.

10.1.3 Any anticipated expenditures over the thresholds listed above may be posted on NBON as an RFP for broader exposure and on the Town's website for purchases of a more local interest.

10.1.4 Depending on the procurement, any number of criteria, in addition to the cost, can be used to evaluate proposals (e.g. experience of the company's personnel, qualifications, history of past similar projects, delivery time, methodology, etc.).

10.1.5 Whatever the criteria used to evaluate proposals, the Procurement Act requires that the RFPs clearly indicate the criteria to be used and the method by which the proposals will be evaluated, including the relative weight assigned to each criterion. Hidden criteria cannot be used to evaluate RFPs.

- 10.1.6 The main objective of the RFP evaluation process is to fairly and objectively determine the frontrunner (and not to rank all the proposals in order).
- 10.1.7 Proposals must be evaluated by the appropriate department committee comprised of people with public procurement knowledge and/or people who understand the project and have no conflicts of interest with the procurement. This committee should have a Committee Chair responsible for informing all the members of their duties and distributing copies of proposals to committee members for evaluation.
- 10.1.8 Once the RFP has closed and all the proposals have been received, a copy of each proposal must be distributed to each committee member. Members should be notified that all information related to this process must remain confidential until an award has been made. On their own, (can be in the same room) members will then read all proposals and score each solely on its contents and on the extent to which it addresses the stated evaluation criteria.
- 10.1.9 Proposals must not be scored in comparison to other proposals. They must only be scored based on the contents of the proposals and the RFP criteria. New criteria cannot be added after the RFP has closed.
- 10.2 Recognizing that increased competition can result in greater economies for the Town, expenditures with an estimated value in excess of the amounts stated above including all optional renewal periods, except those as noted in Section 13 of this document, shall be as a result of public tenders. All Public Tender projects and awarding thereof must be approved by Council.
- 10.3 Procedures for Public Tendering:
- 10.2.1. All tender documents must be approved by the Department Head, including those prepared by consultants, and shall be approved by the Chief Administrative Officer prior to advertising.
- 10.2.2. A public tender notice must be advertised; at least 10 calendar days before the closing date on New Brunswick Opportunities Network (NBON) pursuant to Regulation 2014-93 s. 96(1), and may be advertised in a daily newspaper and/or other periodicals if deemed appropriate or necessary by the Department Head and notice of the tender shall be posted on the Town's website. See attached Appendix C: Tender Checklist. Such tender notice shall contain the following information:
- a) The title or description of the supplies/services/construction required;
 - b) How to obtain bid documents (plans, specifications, tender forms);
 - c) The closing date and time for the tender;
 - d) The address or location where the bids are to be deposited and addressed to the Chief Administrative Officer or designate, or the tender-specific email address where bids shall be sent electronically;
 - e) The date and time when the bids will be opened;

- f) The amount of bid deposit required, if any;
 - g) A statement that bids must be clearly marked on the outside of the envelope or in the subject of the email as to the tender name and closing date and time;
 - h) A statement that indicates the procurement is subject to the Agreement on Internal Trade (when applicable);
 - i) A statement that indicates the procurement is subject to the Procurement Act or the Crown Construction Contracts Act (when applicable).
- 10.2.3. The tender documents must contain the following information:
- a) Detailed specifications, terms, conditions, mandatory requirements, etc., for the purchase (as applicable);
 - b) Delivery requirements and address;
 - c) Evaluation criteria and relative weights if criteria other than price are to be used in the evaluation (i.e. RFPs);
 - d) Point of contact for inquiries, clarifications, etc.;
 - e) A clause stating that all information and material received will become the property of the Town subject to RTIPPA;
 - f) A statement that the Town is governed by RTIPPA and information may be deemed not to be confidential; and
 - g) Any other relevant information.
- 10.2.4. Upon receipt of a completed tender from a vendor:
- 10.2.4.1. Municipal personnel shall ensure that the tender package is time and date stamped, initialed, and shall ensure the confidentiality of the information in the tender package by storing it unopened in the Town safe until the day and time for the opening of the tenders. It is the responsibility of the bidders to ensure that their tender is in the Town safe. The Town assumes no responsibility for lost, delayed or misdirected tenders.
 - 10.2.4.2. Tenders received via email shall remain unopened until the date and time advertised for the opening of tenders.
- 10.2.5. Once a tender has been placed in the Town safe, it shall not be removed until the time advertised for the opening of tenders.
- 10.2.6. Immediately following the time advertised for closing of tenders, the Town safe shall be sealed by the municipal personnel assigned this responsibility.
- 10.2.7. Tenders received after the advertised closing time shall be returned, unopened, to the bidder.
- 10.2.8. Tenders received via email after the advertised closing time shall remain unopened. A screenshot of the time stamped unopened email may be sent to

the sender as notification it was received after the closing time.

- 10.2.9. At the time advertised for the opening of tenders, which usually will immediately follow the closing time, the Town safe will be opened and the tenders will be taken to the area identified in the tender notice for the opening of bids, at which time the Chief Administrative Officer or designate shall open all tenders. Each tender shall be recorded, date stamped and initialed. The Chief Administrative Officer or designate shall be the chair of this tender opening committee.
- 10.2.10. Tenders will be opened and reviewed for completeness. Those which are found to be formal in all respects shall be announced by the Chief Administrative Officer or designate who shall identify the bidder and the amount of the tender (unless the publication of this information has been restricted in the tender specifications).
- 10.2.11. Tenders shall not be considered and will be returned to the bidder at the address shown on the bid documents if:
- a) A required bid deposit is not included;
 - b) The tender is not signed, if required;
 - c) The same tenderer submits more than one bid, unless requested to do so in the tender specifications, or unless the second bid is clearly identified as an amended bid;
 - d) There are changes in written bid amounts which have not been initialed by the bidder;
 - e) There are any documents not included which were specifically required for the tender;
 - f) The tender is illegible or its pricing terms and conditions cannot be understood by the tender opening committee.
- 10.2.12. The amount of the bid of tenders rejected under Subsection 10.2.10 will not be announced nor will they be recorded by staff.
- 10.2.13. Where there is a difference between the written bid and the numerical bid, the written bid shall be used. Notwithstanding the foregoing, where there is a mathematical error in the tender document, the correct mathematical computation shall be used.
- 10.2.14. A vendor submitting a tender may amend the tender, after its deposit in the Town safe and before the time for the opening of tenders, by:
- a) Delivering to the Chief Administrative Officer or designate an amending letter in person, via email or facsimile transmission signed by the same person who signed the original tender, identifying clearly on the face of the amending letter the tender number and closing date of the tender being amended, and ensuring that the amending letter is received before the time for the closing of tenders.

- b) An amendment of tender shall not disclose the amended total tender price but shall show the revision to the tender price to be amended, in the case of a unit price contract, state the amount to be added to or subtracted from the tender price, in the case of a lump sum tender, or supply the information that is missing from the tender on deposit.
- 10.2.15. Requests to withdraw a tender after the bids have been opened must be by letter to Council who may consider the request prior to award.
- 10.2.16. A list of contractors/suppliers who have taken out bid documents shall be maintained by the Chief Administrative Officer or designate, but will not be divulged to any bidder or organization prior to the closing time for receipt of tenders.
- 10.2.17. Tenders by Email will be considered if advertised as such.
- 10.2.18. The Town may extend a tender closing date by advising all vendors who have received or requested copies of the tender documents of the new tender closing date.
- 10.2.19. The Town on its own initiative, or on the request from a vendor submitting a tender, may refuse to release to other vendors or parties information contained in the tender which could reasonably be considered to be proprietary or otherwise adversely affect the commercial interest of the vendor.
- 10.3. Once a tender is awarded by Council, the master copy or originals of the following documents will be given to the Director of Administration to file under the direction of the Chief Administrative Officer.
 - a) Tender Document
 - b) NBON and/or Newspaper Advertisement
 - c) Bid submitted by the successful bidder
 - d) Letter of award or rejection
- 10.4. Bids submitted by unsuccessful bidders will be stored at the direction of the Chief Administrative Officer.
- 10.5. Pursuant to section 145(3) of Regulation 2014-93, details of the successful bidder for procurements must be published on NBON within 72 days of the contract being awarded and shall include the following information:
 - a) the name and address of the Town
 - b) the solicitation number
 - c) a description of the goods and services provided
 - d) name and address of the successful supplier
 - e) reason for using an alternative procurement method, if applicable
 - f) value of the awarded procurement contract
 - g) the date the procurement contract was awarded

11. WORKSAFE NB:

- 11.1. For all purchases that have a labour or service component, the Town requires proof of registration with WorkSafe NB. The Director of Finance will attach vendor's WorkSafe NB proof of registration to the vendor invoice. For bidders who are not required to be registered with WorkSafe NB, it shall be noted in lieu of attaching confirmation of registration.

12. INSURANCE:

- 12.1. Where practical, for all purchases that have a significant labour or service component separately identified, the Town requires proof of liability insurance before any work may commence on Town property.

13. EXEMPTIONS FROM THE COMPETITIVE BIDDING PROCESS:

- 13.1. Pursuant to section 152 of the Procurement Act Regulation 2014-93, the Town may grant exemptions from the public tendering process and invite bids from select suppliers for the following goods and services:

- 13.1.1. Purchase of goods intended for resale to the general public;
- 13.1.2. Purchase of goods or services procured on behalf of a third party that is subject to neither the Act nor a trade agreement;
- 13.1.3. Purchase of goods or services procured from a philanthropic institution or goods manufactured by or services provided by incarcerated persons or persons with disabilities;
- 13.1.4. Purchase of goods that are legally restricted from moving interprovincially, if the restriction is consistent with applicable trade agreements;
- 13.1.5. 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;
- 13.1.6. Purchase of health services and social services;
- 13.1.7. Purchase of advertising and public relation services, if the estimated value is less than \$200,000;
- 13.1.8. Purchase of goods or services procured from a *Schedule A entity*, a *Schedule B entity*, a government enterprise, another jurisdiction or a public body;

- a) Purchase of fiscal agency or depository services;
 - b) Purchase of liquidation and management services procured on behalf of a regulated financial institution;
 - c) Purchase of services related to the sale, redemption, and distribution of the public debt of the Province, or another province or territory of Canada, including loans, bonds, debentures, notes, interest-bearing and non-interest-bearing treasury bills, certificates of indebtedness and any other securities representing part of the public debt of the Province or another province or territory of Canada;
- 13.1.9. Purchase of goods and services related to culture or cultural industries.
- 13.2. Pursuant to section 153 of the Procurement Act Regulation 2014-93, the Town may grant exemptions from the public tendering process and invite bids from select suppliers for the following goods and services:
- 13.2.1. If the Town 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;
 - 13.2.2. Purchase of goods and services procured from a non-profit organization, other than a good or service referred to in section 13.1.3 of this policy;
 - 13.2.3. Purchase of goods procured for the representational or promotional purposes;
 - 13.2.4. Purchase of service procured for representational or promotional purposes outside the province;
 - a) Purchase of transportation services provided by locally owned trucks for hauling aggregate on highway construction projects;
 - b) Purchase of construction materials if it can be demonstrated that transportation costs or technical consideration 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;
 - c) Purchase of marketing management consulting services;
 - d) Purchase of local food;
 - e) Purchase of goods or services financed primarily from donations; and
 - 13.2.5. Goods and services that are strictly necessary and, for reasons of urgency brought about by an unforeseeable event, which cannot be obtained in a timely manner through an open competitive bidding process.
- 13.3. Pursuant to section 154 of the Procurement Act Regulation 2014-93, in order to ensure compatibility with existing goods, the Town 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.

- 13.4. Pursuant to section 155 of the Procurement Act Regulation 2014-93, so long as a municipality is not doing so for the purpose of averting competition among prospective Canadian suppliers or for the purpose of discriminating against Canadian goods, services or suppliers, the Town may use a limited competitive bidding process to restrict procurement to Canadian goods, services or suppliers.
- 13.5. Pursuant to section 156 of the Procurement Act Regulation 2014-93, the Town may grant exemptions from the public tendering process and enter into a mutual agreement if no reasonable alternative or substitute goods or services exist and only one prospective supplier is able to meet the procurement in any of the following circumstances:
 - 13.5.1. In order to recognize exclusive rights, such as exclusive licenses or copyright or patent rights;
 - 13.5.2. Where there is an absence of competition for technical reasons;
 - 13.5.3. For the supply of the good or service controlled by a supplier that is a statutory monopoly;
 - 13.5.4. Where the Town requires work to be performed on or about a leased building that may be performed only by the lessor; and
 - 13.5.5. Where the Town requires work to be performed on property by a contractor according to the provisions or a warranty or guarantee with respect to the property or with respect to the original work of the contractor; and
 - 13.5.6. For the procurement of an original work of art.
- 13.6. Pursuant to Section 157 of the Procurement Act Regulation 2014-93, 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 instances:
 - 13.6.1. Where the procurement contract is for subscriptions to newspapers, magazines or other periodicals;
 - 13.6.2. To ensure compatibility with existing goods, or to maintain specialized goods that must be maintained by the manufacturer of the goods or its representative.
- 13.7. Pursuant to section 158(1) of the Procurement Act Regulation 2014-93, the Town may enter into a procurement contract with a prospective supplier by mutual agreement in order to procure the following goods or services:

- 13.7.1. 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;
 - 13.7.2. Goods or services procured on behalf of an entity that is subject to neither the Act nor a trade agreement;
 - 13.7.3. Goods intended for resale to the public;
 - 13.7.4. Goods or services procured from a philanthropic institution or goods manufactured by or services provided by incarcerated persons or persons with disabilities;
 - 13.7.5. Financial services respecting management of the Town's financial assets and liabilities, including treasury operations and ancillary advisory and information services, regardless of whether they are delivered by a financial institution;
 - 13.7.6. Health services and social services;
 - 13.7.7. Goods and services procured from a *Schedule A entity*, a *Schedule B entity*, another jurisdiction or a public body;
 - 13.7.8. Fiscal agency and depository services;
 - 13.7.9. Liquidation and management services on behalf of a regulated financial institution;
 - 13.7.10. Services related to the sale, redemption, and distribution of the public debt of the Province or any other province or territory of Canada, including loans, bonds, debentures, notes, interest-bearing and non-interest-bearing treasury bills, certificates of indebtedness and any other securities representing part of the public debt of the Province or another province or territory of Canada;
 - 13.7.11. Goods or services procured on behalf of or by non-governmental bodies that exercise governmental authority delegated to them;
 - 13.7.12. Goods or services procured for the specific purpose of providing international assistance, including development aid, provided that the Town does not discriminate on the basis of origin or location within Canada of goods, services or suppliers; and
 - 13.7.13. Goods or services related to culture or cultural industries.
- 13.8. Pursuant to section 158(2) of the Procurement Act Regulation 2014-93, as long as the Town is not doing so for the purpose of averting competition among prospective suppliers or for the purpose of discriminating against a prospective supplier, the Town

may enter into a procurement contract with a prospective supplier by mutual agreement in order to procure the following goods or services:

- 13.8.1. Goods and services that are strictly necessary for reasons of emergency brought about by an event unforeseeable cannot be obtained in a timely manner through an open competitive bidding process or a limited competitive bidding process
- 13.8.2. Goods or services that, if procured by an open competitive bidding process, would impair the Town's ability to maintain security or order or to protect human, animal or plant life or health;
- 13.8.3. Goods that are legally restricted from moving interprovincially, if the restriction is consistent with the applicable trade agreements;
- 13.8.4. Advertising and public relation services advertising and public relation services, if the estimated value is less than \$200,000;
- 13.8.5. A prototype or a first good or service that is developed at the request of the Town in the course of and for a particular contract for research , experiment, study or original development, including limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include the quantity production or supply to establish commercial viability or to recover research and development costs;
- 13.8.6. Goods or services of which the purchase is made under exceptionally advantageous conditions that only arise in the very short term, such as unusual disposals by enterprises that are nor normally suppliers or disposals of assets of businesses in liquidation, receivership or bankruptcy, but not in routine purchases from regular suppliers;
- 13.8.7. Where the procurement contract is to be awarded to the winner of a design contest, provided that:
 - a) The contest is organized in a fair manner;
 - b) The Town publishes on the New Brunswick Opportunities Network, for a period of time that the Town considers sufficient to enable prospective suppliers to prepare their bid submissions, a notice of the contest containing sufficient information to enable prospective suppliers to determine if they wish to participate in the contest; and
 - c) The participants are judged by an independent jury with a view to awarding the design contract to the winner;
- 13.8.8. For the procurement of goods on a commodity market;
- 13.8.9. Goods or services resulting from additional deliveries by the original supplier

of goods or services that were not included in the initial procurement, if a change of supplier for additional goods or services

- a) Cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and
- b) Would cause significant inconvenience or substantial duplication of costs for the Town.

13.9. Pursuant to section 159(1) of the Procurement Act Regulation 2014-93, so long as a municipality is not doing so for the purpose of avoiding competition among prospective suppliers or for the purpose of discriminating against a prospective supplier, a municipality may enter into a procurement contract with a prospective supplier by mutual agreement in order to procure the following goods or services:

- 13.9.1. Goods and services that are strictly necessary and, for reasons of urgency brought about by an event unforeseeable, cannot be obtained in a timely manner through an open competitive bidding process;
- 13.9.2. 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;
- 13.9.3. Purchase of goods and services procured from a non-profit organization other than a good or service from a philanthropic institution or goods manufactured by or services provided by incarcerated persons or persons with disabilities;
- 13.9.4. Purchase of goods procured for representational or promotional purposes;
- 13.9.5. Services procured for representational or promotional purposes;
- 13.9.6. Transportation services provided by locally owned trucks for hauling aggregate on highway construction projects;
- 13.9.7. 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;
- 13.9.8. Services related to marketing managing consulting;
- 13.9.9. Purchase of local food; and
- 13.9.10. Goods or services financed primarily from donations.

- 13.10. Pursuant to section 161 of the Procurement Act Regulation 2014-93, after consultation with Treasury Board, the Minister may grant to a *Schedule B entity* that is subject to a trade agreement a temporary exemption under section 18 of the Act in order to promote regional economic development if the procurement complies with the applicable trade agreements.
- 13.11. Pursuant to section 161.1(1) of the Procurement Act Regulation 2014-93, if a *Schedule B entity* is not subject to a trade agreement, the Minister may, after consultation with Treasury Board, grant to the *Schedule B entity* a temporary exemption under section 18 of the Act for the purposes of promoting regional economic development if the Minister is satisfied that a region of the Province may gain a significant economic benefit from granting the exemption.
- 13.12. Pursuant to section 166 of the Procurement Act Regulation 2014-93, the following Professional Services provided by licensed professionals 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.

This policy repeals all other policies addressing the Procurement of Goods, Services and Construction of the former local governments of Bath, Centreville and Florenceville-Bristol.

Certification for The District of Carleton North Policy Manual:

I certify that this *Procurement Policy* was adopted by Council as indicated above.

Mayor

Date of Council Resolution

Clerk

Date Policy in Effect



19 Station Road, Florenceville-Bristol, NB E7L 3J8
T: 506.392.6013 F: 506.392.5211

Appendix A: Quote Tracking Form

Project Name: _____

Department Head: _____

Project quote description: _____

Contractor: _____

Contact Name: _____

Phone Number: _____

Date requested: _____

Date Received: _____

Quoted Price: _____

Contractor: _____

Contact Name: _____

Phone Number: _____

Date requested: _____

Date Received: _____

Quoted Price: _____

Contractor: _____

Contact Name: _____

Phone Number: _____

Date requested: _____

Date Received: _____

Quoted Price: _____

Contractor: _____

Contact Name: _____

Phone Number: _____

Date requested: _____

Date Received: _____

Quoted Price: _____

In attendance for opening: _____

Date opened: _____

Lowest quote: _____

Recommendations: _____

☐ Quotes attached

Chief Administrative Officer: _____

Date: _____

Director of Finance: _____

Date: _____



19 Station Road, Florenceville-Bristol, NB E7L 3J8
T: 506.392.6013 F: 506.392.5211

Appendix B: Request for Quotation

Town Department Head to complete to dotted line

Good or Service Requested: _____
Submit Quote to: _____
Date Quote Required by: _____ Time: _____
Required Date: _____

The Town does not, by virtue of any proposal call, tender, or request for quotation or proposal, commit to an award, nor does the Town limit itself to accepting the lowest price of any submitted, but reserves the right to award, or not to award, in any manner deemed to be in the Town's best interest.

Requestor will check if applicable:

- | | |
|---|--|
| <input type="checkbox"/> Attach proof of WorkSafe NB registration | <input type="checkbox"/> Quote may be accepted in whole or in part |
| <input type="checkbox"/> Attach proof of Insurance | <input type="checkbox"/> Product substitution will be considered |
| <input type="checkbox"/> Attach resume or list of references | <input type="checkbox"/> Building/Demolition Permit will be required |
| <input type="checkbox"/> Other conditions or stipulations _____ | |

All prices should be quoted net of taxes with a separate line quoting FOB (freight on board) to final delivery destination.

Quotes may be submitted via: ☐ Phone (506) 392-_____ ☐ Fax (506) 392-5211
☐ Email _____@carletonnorth.com

Vendor to complete below dotted line

Vendor Name: _____
Vendor Address: _____
Vendor Phone / Fax: _____
Vendor Email: _____
Vendor Quote: _____

The undersigned declares that the only persons interested in this quote as principals are named herein as such; that this quote is made in good faith, without fraud, collusion or connection with any other person quoting for the supply of these supplies and/or services; that he has carefully examined the specifications for this quote and made all the necessary inquiries; that from his knowledge thus obtained, agrees that upon notice that this proposal will be accepted by the Town, he will supply the supplies and/or services in accordance with the attached specifications.

Signature of Vendor: _____ Date: _____

Appendix C: Tender Checklist

A public tender notice must be advertised, at least 10 days before the closing date on New Brunswick Opportunities Network (NBON) and may be advertised in a daily newspaper and/or other periodicals if deemed appropriate or necessary by the Department Head and notice of the tender shall be posted on the Town's website. Such tender notice shall contain the following information:

- ☐ The title or description of the supplies/services/construction required
- ☐ How to obtain bid documents (plans, specifications, tender forms)
- ☐ The closing date and time for the tender
- ☐ The address or location where the bids are to be deposited and addressed to the Chief Administrative Officer or designate
- ☐ The date and time when the bids will be opened
- ☐ The amount of bid deposit required, if any
- ☐ A statement that bids must be clearly marked on the outside of the envelope as to the tender name and closing date and time
- ☐ A statement that indicates the procurement is subject to the Agreement on Internal Trade (when applicable)
- ☐ A statement that indicates the procurement is subject to the Procurement Act or the Crown Construction Contracts Act (when applicable)

Appendix D: Request for Proposal (RFP) Checklist

- ☐ Is the anticipated amount of the project expected to be over the tender threshold (\$121,000 as of January 1, 2022)?
 - ☐ Yes - the RFP must be posted on NBON for at least 10 calendar days, but more complex RFPs must be advertised for a longer duration suitable to the complexity.
 - ☐ No – the RFP may be posted locally and on the Town’s website.
- ☐ Depending on the procurement, any number of criteria, in addition to the cost, can be used to evaluate proposals (e.g. experience of the company’s personnel, qualifications, history of past similar projects, delivery time, methodology, etc.).
- ☐ Whatever the criteria used to evaluate proposals, the Procurement Act requires that the RFPs clearly indicate the criteria to be used and the method by which the proposals will be evaluated, including the relative weight assigned to each criterion. Hidden criteria cannot be used to evaluate RFPs.
- ☐ The main objective of the RFP evaluation process is to fairly and objectively determine the frontrunner (and not to rank all the proposals in order).
- ☐ Proposals must be evaluated by an evaluation committee comprised of people with public procurement knowledge and/or people who understand the project and have no conflicts of interest with the procurement. This committee should have a Committee Chair responsible for informing all the members of their duties and distributing copies of proposals to committee members for evaluation.
- ☐ Once the RFP has closed and all the proposals have been received, a copy of each proposal must be distributed to each committee member. Members should be notified that all information related to this process must remain confidential until an award has been made. On their own, (can be in the same room) members will then read all proposals and score each solely on its contents and on the extent to which it addresses the stated evaluation criteria.
- ☐ Proposals must not be scored in comparison to other proposals. They must only be scored based on the contents of the proposals and the RFP criteria. New criteria cannot be added after the RFP has closed.