



## Municipality of the County of Kings

### Procurement

|                               |              |                              |              |
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| <b>Policy Category</b>        | Finance      | <b>Most Recent Amendment</b> | July 8, 2025 |
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#### 1. Purpose

This Policy establishes how the Municipality of the County of Kings (Municipality) will meet its obligations under the Nova Scotia *Public Procurement Act* (Act) and the Nova Scotia Public Procurement Policy.

This Policy provides direction for the expenditure of funds to complete the programs approved by Council in the annual Operating and Capital Budget (Budget) as well as outlining procurement approaches for Emergency expenditures of Goods, Services, and Construction which may be required, but were not identified in the Budget.

This Policy achieves the Best Value for the expenditure of public funds by the Municipality for the acquisition of Goods, Services, and Construction by maximizing competition, adopting commercially reasonable business practices, promoting Sustainable Procurement practices, and utilizing open, fair, and transparent procurement processes.

#### 2. Scope

This Policy applies to all departments of the Municipality, as well as all employees or third parties undertaking procurement on behalf of the Municipality. This Policy applies to the procurement by the Municipality of all Goods, Services, and Construction, including Construction and facilities by purchase or lease.

All amounts and thresholds referenced herein are inclusive of non-recoverable HST and are denominated in Canadian dollars.

#### 3. Definitions

- 3.1 **Alternative Procurement Practice (ALTP):** the authorized purchase of goods or services through a non-competitive procurement, a limited competition, or under circumstances described in Section 12 of this Policy.
- 3.2 **Best Value:** attributing factors, in addition to purchase price, to select a supplier that includes life cycle cost, supplier capacity to meet criteria in the procurement process, social considerations such as rights or interests of the workers involved, and sustainable procurement considerations. Best Value requirements may vary by procurement.

- 3.3 **Bid:** a supplier's response to a Solicitation Document. Bid is synonymous with the terms proposal, response, submission, tender submission, quotation, or offer, and may be identified as such in this Policy.
- 3.4 **Budget:** the Municipality's annual approved operating and capital Budgets adopted in accordance with the *Municipal Government Act*.
- 3.5 **Chief Administrative Officer (CAO):** the Chief Administrative Officer of the Municipality or their designate appointed per s.28 *Municipal Government Act*.
- 3.6 **Construction:** the construction, reconstruction, demolition, repair, or renovation of a building, structure, road or other engineering or architectural work, excluding professional consulting services related to the construction contract, unless included in the procurement.
- 3.7 **E Procurement Tool:** an online procurement service, system, or software, used by the Municipality that may support some or all the main processes involved in a procurement including, but not limited to: Goods, Services, or Construction sourcing, contract management, and spend analytics.
- 3.8 **Environmental Considerations:** factors associated with the purchase, manufacture, operation, or disposal of a product or asset that affect the environment, such as the degree to which the product or asset uses recycled materials, is energy efficient, or produces or reduces greenhouse gas emissions.
- 3.9 **Group Purchasing Organization:** an entity that helps public sector entities realize savings and efficiencies by aggregating purchasing volume and using that leverage to negotiate discounts with manufacturers, distributors, and other suppliers.
- 3.10 **Immediate Family Member:** spouse, common-law partner, parent(s), and child(ren), regardless of age or residence.
- 3.11 **Invitational Competition:** a competitive process in which a Request for Quotes, Request for Proposal, or an invitation to submit Bids is issued to at least three (3) suppliers.
- 3.12 **Life Cycle Costs:** the total costs associated with a product or asset over its life span, including the cost of acquisition, maintenance, repair, operation, and disposal.
- 3.13 **Non-Competitive Procurement:** the procurement of Goods, Services, or Construction directly from a supplier, outside of a competitive procurement process.
- 3.14 **Nova Scotia Procurement Portal:** the official website for provincial and public sector procurements, operated and maintained by the Province of Nova Scotia.
- 3.15 **Open Competition:** the solicitation of Bids through publicly posted solicitation such as Requests for Proposals or Tenders.
- 3.16 **Procurement Event:** general reference to a form of procurement; includes but is not limited to an Open Competition, or an Invitational Competition, and would include any form of procurement, including Tenders, Requests For Proposals, Requests For Quotes.

- 3.17 **Procurement Manual:** a document approved by the Municipal Treasurer which contains a series of procedures to provide detailed guidance for procurement processes.
- 3.18 **Procurement Officer:** a member of staff designated duties of procurement by CAO
- 3.19 **Purchasing Authority:** the individual granted or delegated the authority to make purchases subject to the provisions of this Policy.
- 3.20 **Service(s):** any work, duty, or function performed by a person or organization under contract with the Municipality which is required by the Municipality to carry out its business and affairs; excludes services provided by an employee through a contract of employment per Canada Revenue Agency guidelines.
- 3.21 **Solicitation Document:** the document(s) used to solicit Bids from Suppliers.
- 3.22 **Standing Offer:** a competitive process that establishes a list of one or more pre-qualified suppliers to supply Goods, Services, or Construction.
- 3.23 **Supplier:** a person or entity carrying out the business of providing Goods, Services, or Construction.
- 3.24 **Sustainable Procurement:** a procurement process that considers the environmental, economic and social factors related to the Goods, Services and Construction that are procured.

#### 4. Excluded Procurement Events

- 4.1 This Policy does not apply to procurements:
  - 4.1.1 made by the Municipality from corporations owned or controlled, in whole or part, by the Municipality;
  - 4.1.2 where a Construction project is managed by a third-party on behalf of the Municipality in which case the procurement for the project must be in accordance with the contract between the Municipality and the third-party, and generally accepted practises, such as guidance documents suggested by the Province of Nova Scotia;
  - 4.1.3 pertaining to training and education for employees and Members of Council, which includes conferences, conventions, tradeshow, seminars, and workshops; and
  - 4.1.4 pertaining to utilities, including charges for water, sewer, power, telephone, internet, and cable television.

#### 5. Procurement Policy Principles

- 5.1 All procurement carried out by the Municipality must be carried out with a view to:
  - 5.1.1 ensuring an equitable, open and transparent process for the acquisition of Goods Services and Construction by the Municipality;

- 5.1.2 avoiding dishonesty, corruption, or favouritism in the procurement of Goods, Services, and Construction;
  - 5.1.3 encouraging competitive bidding wherever possible and, in any event, minimizing the Municipality's cost of acquiring goods and services where practical;
  - 5.1.4 complying with applicable regional, national, and international trade agreements, including the Agreements on International Trade and the Atlantic Procurement Agreement;
  - 5.1.5 procuring Goods, Services, and Construction with due regard to the preservation of the natural environment and encouraging Suppliers to utilize goods incorporating recycled materials and sustainably sourced materials where practicable;
  - 5.1.6 promoting Sustainable Procurement, including identifying and exploring opportunities to work with and support social enterprises and businesses that are owned by and employ under-represented populations; and
  - 5.1.7 complying with the *Public Procurement Act* and Regulations made pursuant to that Act.
- 5.2 Pursuant to s.15(1) of the *Public Procurement Act*, all employees involved in procurement on behalf of the Municipality must:
- 5.2.1 ensure procurement activities are conducted according to this Policy, Provincial and Federal legislation, trade agreements, and ethical business practices;
  - 5.2.2 encourage and support collaborative procurement amongst other municipalities and public sector entities such as hospitals and regional centres for education;
  - 5.2.3 follow leading procurement practices;
  - 5.2.4 in good faith, conduct business with current and prospective suppliers and be fair in all business dealings;
  - 5.2.5 strive to obtain the Best Value for each expenditure;
  - 5.2.6 require suppliers provide accurate representations of Goods, Services, and Construction;
  - 5.2.7 encourage suppliers to consider integrating environmental, economic, and social considerations in their product or service offerings;
  - 5.2.8 encourage the negotiation of an equitable and mutually acceptable settlement when a dispute arises; and
  - 5.2.9 request removal from a procurement process when a personal conflict of interest is perceived.

## 6. Obligations of the Municipality

- 6.1 The Municipality shall:
  - 6.1.1 publicly tender for all Goods, Services, Construction and facilities in accordance with any applicable domestic or international trade agreement;
  - 6.1.2 post on the Nova Scotia Procurement Portal the name of the successful bidder and the contract amount awarded;
  - 6.1.3 post its procurement policies on the Municipality's website;
  - 6.1.4 abide by the acceptable alternative procurement exceptions and practises as set out in Section 12 and noted in the *Procurement Act*;
  - 6.1.5 incorporate contract and risk-management guidelines into procurement practices; and
  - 6.1.6 be accountable for its procurement decisions.

## 7. Purchasing Authority

- 7.1 The CAO has the authority to award or purchase all Goods, Services, and Construction identified within the Council approved Operating and Capital Budgets.
- 7.2 In the event that the Operating and Capital Budget is not approved by Council before the beginning of a new fiscal period, the CAO's authority established in 7.1 shall be based on the immediately preceded Council approved Operating and Capital Budgets. Once the Operating and Capital Budgets are approved all Budget over-expenditures shall be reported to Council.
- 7.3 The CAO is the signing authority for all purchases, including those which require Council approval.
- 7.4 The CAO may designate Purchasing Authority to Municipal employees. This shall be documented in a Standard Operating Procedure which shall indicate each employee allocated Purchasing Authority and include their maximum dollar threshold per procurement.

Employees granted Purchasing Authority shall be trained with respect to this Policy and must have the knowledge to determine whether procurements have been identified in the Budget and fall within their Purchasing Authority.
- 7.5 For situations which may fall outside of this Policy where Purchasing Authority is not specified, or there are concerns or uncertainties, the CAO shall determine final Purchasing Authority in the matter.

## 8. Purchasing Thresholds

- 8.1 Goods, Services, and Construction must be procured under a Standing Offer if one exists for the Goods, Services, and Construction required, and if doing so will provide Best Value. If no Standing Offer for a spending category exists or is available, the Municipality shall procure Goods, Services, and Construction in accordance with 8.2.

- 8.2 Thresholds for Low Value and High Value procurement and the thresholds for acceptable procurement methods shall be:

| Segments                   | Low Value     |                          | High Value       |
|----------------------------|---------------|--------------------------|------------------|
|                            | Discretionary | Invitational Competition | Open Competition |
| Goods                      | < \$ 2,500    | < \$ 25,000              | ≥ \$ 25,000      |
| Services                   |               | < \$ 50,000              | ≥ \$ 50,000      |
| Construction               |               | < \$ 100,000             | ≥ \$ 100,000     |
| Public Process Requirement | No            |                          | Yes              |

- 8.3 The total value of all anticipated expenditures to fulfil the same requirement shall be used to determine the appropriate procurement method.
- 8.4 Purchases containing multiple components (any combination of: Goods, Services, and Construction) shall be classified based on the largest pro-rata portion of the purchase.
- 8.5 Purchases shall not be divided to reduce or keep a purchase value below any specific threshold. Where it is anticipated that multiple purchases of the same requirement will be made, the total value of all anticipated purchases during the contract term (including renewals) shall be used to determine the appropriate procurement process.

## 9. Standing Offers

- 9.1 It is mandatory for the Municipality to use existing Standing Offers, where applicable and appropriate, regardless of the procurement value, to achieve contracted benefits through the consolidation of purchases. This includes:
- 9.1.1 a standing Agreement between the Municipality and a supplier in which the supplier commits to providing specified Goods, Services, or Construction at a specific price for a specific period of time. Such standing Agreements shall themselves be the subject of an Open Competition;
  - 9.1.2 equipment leasing programs through the Government of Nova Scotia;
  - 9.1.3 Nova Scotia Provincial Standing Offers administered by the Government of Nova Scotia;
  - 9.1.4 supplies and services available from the Government of Nova Scotia; and
  - 9.1.5 the use of a Group Purchasing Organization, or a procurement program administered or recommended by the Nova Scotia Federation of Municipalities or the Association of Municipal Administrators Nova Scotia.

## 10. Procurement of Goods, Services, and Construction

Where a Good, Service, or Construction is being procured, and no Standing Offer is in place or the specifications of the Standing Offer does not meet the requirements, procurement shall be completed in accordance with the appropriate process defined in 10.1 and 10.2.

## 10.1 Low Value Procurement

- 10.1.1 Goods, Services, and Construction with a value below High Value Thresholds (as identified in 8.2), and without an available or appropriate Standing Offer, shall be procured through an Invitational Competition, subject to Sections 10.1.2, 10.1.3 and 12.
- 10.1.2 Departments are expected to conduct their own Low Value procurements, contacting the Procurement Officer for assistance or clarification when needed.
- 10.1.3 Invitational Competitions require the Purchasing Authority to obtain a minimum of three (3) quotes through the Request for Quotation process, as defined in Section 11.
- 10.1.4 Goods, Services, or Construction with a value below \$2,500, do not require the use of an Invitational Competition. The Purchasing Authority shall make a reasonable effort to identify and select vendors to obtain Best Value for these purchases.
- 10.1.5 If an Invitational Competition results in the lowest-priced or Best Value respondent quoting above the applicable Low Value threshold, but still within the allotted Budget, the Purchasing Authority may:
  - 10.1.5.1 accept the results, enacting an applicable Alternative Procurement Practice;
  - 10.1.5.2 cancel the competition and re-issue as an Open Competition; or
  - 10.1.5.3 cancel the competition and reevaluate the project.

## 10.2 High Value Procurement

- 10.2.1 Goods, Services, or Construction with a value above the Low Value threshold (as identified in 8.2) and without an available or appropriate Standing Offer shall be procured through an Open Competition, subject to Sections 10.2.2, 10.2.3 and 12.
- 10.2.2 High Value procurements are to be completed with the assistance of the Procurement Officer.
- 10.2.3 Notice of all Open Competitions shall be posted on the E Procurement Tool which can be accessed through the Municipality's website as well as the Nova Scotia Procurement Portal. Names of successful bidder(s) and the contract amount awarded shall be posted to the Nova Scotia Procurement Portal within 60 days of award.
- 10.2.4 Open Competitions shall be conducted in accordance with the requirements of this Policy, the Nova Scotia *Public Procurement Act*, the Nova Scotia Procurement Policy, all applicable trade agreements, and applicable Standard Operating Procedures of the Municipality.

## 11. **Forms of Procurement Events**

- 11.1 The Municipality shall utilize various forms of solicitations to procure Goods, Services, and Construction, including, but not limited to:
  - 11.1.1 **Request for Quotations (RFQ)** are typically a form of Limited Competition, generally used in Low Value procurements and when the cost of the Goods,

Service, or Construction does not warrant the time, effort, and expense required for a formal Open Competition.

11.1.2 **Tenders** are a form of Open Competition and should be used when the procurement requirements of the Municipality can be clearly and completely specified.

11.1.3 **Request for Proposals (RFP)** are a form of Open Competition and may be used when the Municipality is unable to clearly or completely specify the Goods, Service, or Construction required, and Suppliers are therefore asked to provide a solution to the problem, requirements or objective.

11.1.4 **Non-Binding Request for Proposals (NRFP)** are similar to RFPs. The defining difference is that while RFPs maintain a binding agreement between the Municipality and Suppliers once submissions are made, NRFPs are in no way a binding agreement. Negotiations, subject to the terms of the NRFP may be entered into, but no commitments are made or assumed until an agreement has been signed by all parties.

11.1.5 **Request for Supplier Qualifications (RFSQ)** are typically used as a tool in the establishment of Standing Offers or to pre-qualify Suppliers in the first stage of a two-stage Procurement Event.

11.2 In addition to the forms listed in Section 11.1.1 through 11.1.5, the Municipality may choose, at its sole discretion, to utilize other forms of Procurement Events, which may be updated and recommended by recognized procurement institutes or the Province of Nova Scotia.

## 12. Alternative Procurement Practices (ALTP)

12.1 For Procurement Events that do not exceed thresholds set out in applicable trade agreements, an ALTP may be used, subject to any restrictions or requirements set out in the Procurement Manual.

12.2 For Procurement Events that exceed thresholds set out in applicable trade agreements, an ALTP may be used, provided it is not done for the purpose of avoiding competition among suppliers or in a manner that discriminates against suppliers of any jurisdiction covered by an applicable trade agreement.

12.3 An ALTP may be used, subject to s. 12.1 and 12.2 in the following circumstances:

12.3.1 Insofar as is strictly necessary where, for reasons of urgency brought about by events unforeseeable by the Municipality, the Goods, Services, or Construction could not be obtained in time using an Open Competition;

12.3.2 Where Goods or Services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an Open Competition process could reasonably be expected to compromise government confidentiality or security, result in the waiver of privilege, cause economic disruption or otherwise be contrary to the public interest;



- 12.3.3 To ensure compatibility with existing products, or to maintain specialized products that must be maintained by the manufacturer or its representative;
- 12.3.4 To ensure the protection of patents, copyrights, or other exclusive rights;
- 12.3.5 Where there is an absence of competition and the Goods, Service, or Construction can be supplied only by a particular supplier or no alternative or substitute exists;
- 12.3.6 For the procurement of Goods or Services the supply of which is controlled by a supplier that is a monopoly;
- 12.3.7 For the purchase of Goods on a commodity market;
- 12.3.8 For work to be performed on or about a leased buildings, properties, or portions thereof that may be performed only by the lessor;
- 12.3.9 For work to be performed on a property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
- 12.3.10 Where the Municipality procures a prototype or a first good or service that is developed in the course of, and for a particular contract for research, experiment, study or original development. Original development of a first good or service may include 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 quantity production or supply to establish commercial viability or to recover research and development costs;
- 12.3.11 For purchases made under exceptionally advantageous circumstances that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchase from regular suppliers;
- 12.3.12 For the procurement of original works of art;
- 12.3.13 Where a contract is awarded to a winner of a design contest, provided the contest has been organized in a manner consistent with the principles of this Policy, and participants are judged by an independent jury with a view to a design contract being awarded to a winner;
- 12.3.14 For the procurement of subscriptions to newspapers, magazines or other periodicals;
- 12.3.15 For additional deliveries by the original supplier of Goods or Services that were not included in the initial procurement where a change of supplier for such additional Goods, Services, or Construction 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 would cause significant inconvenience or substantial duplication of costs for the Municipality;

- 12.3.16 No Bids were submitted or no suppliers requested participation; no Bids that conform to the essential requirements of the solicitation documentation were submitted; no suppliers satisfied the conditions for participation;
  - 12.3.17 For the procurement or acquisition of fiscal agency or depository services, liquidation, and management services for regulated financial institutions or services related to the sale, redemption, and distribution of public debt, including loans and government bonds, notes, and other securities;
  - 12.3.18 For the procurement of Goods and Services for commercial sale or resale, or for use in the production or supply of Goods or Services for commercial sale or resale;
  - 12.3.19 For the procurement of Goods and Services financed primarily from donations that are subject to conditions that are inconsistent with this Policy;
  - 12.3.20 Procurement of Goods or Services from another government body;
  - 12.3.21 Procurement from philanthropic institutions, non-profit organizations, prison labour, or persons with disabilities;
  - 12.3.22 Compliance with the competitive process requirements would interfere with the Municipality's ability to maintain security or order or to protect human, animal, or plant life or health; or
  - 12.3.23 The procurement supports a measure adopted with respect to Indigenous people.
- 12.4 When an ALTP occurs, the reason for doing so must be documented. Goods, Services, or Construction regularly procured by the Municipality utilizing ALTP 12.3.3 through and including 12.3.6 may be placed on a sole-source list which must be reviewed and approved annually by the CAO. The sole-source list must document reasoning and identify the corresponding ALTP to which it applies. Utilizing an approved sole-source list will remove the requirement to document that ALTP with every use.
- 12.5 If the value of an ALTP award reaches or exceeds the thresholds established in the Canadian Free Trade Agreement (CFTA), the Municipality shall publish the award information, in accordance with CFTA requirements for such postings, on the Nova Scotia Procurement Portal.

## **13. Emergency Procurement**

- 13.1 Emergency Procurement occurs when an immediate and serious need is identified which may not be reasonably met by any other procedure and includes without limitation:
  - 13.1.1 a condition where lack of suppliers or services may adversely affect: the functioning of civic government; threaten public and/or private property; the environment; the health, safety, and/or security of the public; or

13.1.2 interim contractual arrangements following the expiration or breach of a contract.

13.2 Emergency Purchases shall be completed using the most expedient method and will take Best Value into consideration.

13.3 Due to the serious and urgent nature, Emergency Purchases, including those in excess of Budget, may be awarded at the discretion of the CAO. Emergency Purchases in excess of Budget shall be reported to Council unless they can be eliminated through application of the provisions of Policy FIN-05-028 Budget Management.

13.4 Emergency Purchases which fall into High Value thresholds shall be reported to Council.

## **14. Expenditures In Emergency Situations**

14.1 An Emergency Situation is typically a declared state made by a government at the local, provincial, and/or federal level. Declaration of a State of Local Emergency under By-law 110 Emergency Management is an example of an Emergency Situation.

14.2 In an Emergency Situation, the CAO is authorized to make all reasonable and informed procurement decisions which, at their sole discretion, are determined necessary to: protect the legal interests of the Municipality or satisfy its legal obligations; prevent a situation where failure to act would reasonably be expected to compromise the Municipality's confidentiality or security, cause economic disruption, or would otherwise be contrary to the public interest.

14.3 Authorization in Emergency Situations extends to all necessary purchases including expenditures in excess of budgeted amounts and non-budgeted expenditures. Any such expenditure must be reported to Council at the next available meeting.

## **15. Preference**

15.1 The Municipality may apply a preference for Goods, Services, or Construction below applicable domestic or international trade agreement thresholds. Preference details, if any, must be provided within the Solicitation Documents and, without limitation, represent the Best Value for each Procurement Event.

15.2 The Municipality may apply a preference for Goods, Services, or Construction for procurements above applicable domestic and international trade agreement thresholds within the obligations under the applicable trade agreement. Preference details, if any, must be provided within the Solicitation Documents.

## **16. Procurement Requirements**

16.1 The following requirements apply to all Open Competitions, regardless of the Procurement Event:

16.1.1 The Municipality must provide reasonable notice and opportunity to respond to public Procurement Events, and comply with minimum trade agreement posting timelines, where applicable; and

16.1.2 Include, or have attached the terms and conditions that govern the Procurement Event.

- 16.2 Open Competitions should normally include specifications or terms as follows:
  - 16.2.1 Expressly or by implication outlining the issues or criteria that will be used for selection of a successful bidder;
  - 16.2.2 A privilege clause stating that the lowest or any Bid or proposal will not necessarily be accepted;
  - 16.2.3 The location of delivery of Bids or proposals;
  - 16.2.4 The means of delivery of Bids or proposals, e.g., Electronic or hard copy;
  - 16.2.5 The time and date of Procurement Event closing;
  - 16.2.6 A notification that Solicitation Documents and Bids may be open to the public, and are subject to the Freedom of Information and Protection of Privacy provisions of the *Municipal Government Act*; and
  - 16.2.7 Bids which are subject to evaluation after opening shall be identified as such in the Solicitation Documents. The Solicitation Documents shall outline the evaluation method(s) used and the applicable evaluation criteria.
- 16.3 All procurements shall be approved and awarded by the appropriate Purchasing Authority as outlined in Appendix A attached to and forming part of this Policy. In the event that the lowest priced or highest scoring Bid exceeds the related Budget appropriation, the Purchasing Authority shall:
  - 16.3.1 in circumstances where negotiation is permitted, undertake negotiations to reduce price to an amount within the allotted Budget;
  - 16.3.2 close the Budget shortfall in accordance with Policy FIN-05-028 Budget Management;
  - 16.3.3 cancel the Procurement Event and reevaluate the project.
- 16.4 In the case of a tie Bid, the Suppliers shall be requested to submit a best-and-final offer, where it is appropriate to do so. If a request for best-and-final offer is not successful or appropriate, the award shall be made by random draw. The method and results shall be documented and kept on file with other details of the procurement. The draw shall be witnessed by a Director or Manager associated with the project.
- 16.5 Contracts for Goods, Services, and Construction that are required to be procured publicly under this Policy, including price agreements, must be re-issued publicly at least once every five years but may be issued more frequently at the discretion of the CAO. In special circumstances where a contract in excess of five years is required, Council approval is required.

## 17. Sustainability Considerations

- 17.1 Pursuant to the *Public Procurement Act*, in evaluating which Goods, Services, or Construction offer Best Value to the Municipality, the Municipality may consider sustainability criteria, meaning environmental, social, and economic considerations.
- 17.2 All Procurement Events must list the sustainability criteria that apply to the procurement, if any.

## 18. Supplier Debriefing and Complaint Process

- 18.1 Bidders may request a debrief of their Bid once the related competition has closed. Requests must be made in writing within 10 business days of notification of the successful bidder, or unless otherwise stated in the Solicitation Document.
- 18.2 The debriefing shall provide reasons for disqualification of the supplier, or, in the case where evaluation scoring was used, provide an overview of the supplier's score in each category, reasoning for the score, and recommendations for improvement for future submissions.
- 18.3 The debriefing must not disclose any information regarding other bidders or their submissions.
- 18.4 If a Supplier is not satisfied with the results of a supplier debriefing, they may file a formal complaint with the CAO who shall commence an internal review of the process. The Supplier must request and attend a debriefing prior to filing a formal complaint.
- 18.5 If a Supplier is not satisfied with the results of a formal review, s.18 *Public Procurement Act* (an independent Supplier Complaint Process (SCP)) should be followed.
- 18.6 In the event that there is a dispute involving a procurement which is subject to trade agreement requirements, the Municipality shall comply with the complaint mechanisms applicable to that agreement.

## 19. Supplier Performance

- 19.1 Establishing contract management practices and assessing supplier performance are both critical to the success of procurement projects. Supplier performance may be evaluated periodically during, or at the end of the contracted period, unless otherwise stipulated within the contract documents.
- 19.2 Suppliers may be disqualified from participating in future procurement opportunities for one, or any number of the following:
  - 19.2.1 failure to honour a compliant Bid;
  - 19.2.2 failure to disclose a conflict of interest (real, potential, or perceived);
  - 19.2.3 false declarations;
  - 19.2.4 where the Supplier has been found to be in violation of any Municipality of the County of Kings By-Laws or Dangerous and Unsightly Premises provisions of the *Municipal Government Act*;
  - 19.2.5 conviction of unethical or illegal bidding practices, such as collusion, or fraud by a person, director, or official employed by the Supplier relating to obtaining or attempting to obtain a contract or subcontract;
  - 19.2.6 serious breach of contract indicating an unwillingness to perform a contract in accordance with the terms and conditions or specifications;

- 19.2.7 the offer of any gratuity to an official or employee of the Municipality by a Supplier for consideration;
  - 19.2.8 professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the supplier;
  - 19.2.9 significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior contract or contracts may lead to the application of demerit points against the Supplier in scored Procurement Events, or outright disqualification in future Procurement Events as detailed in 19.3;
  - 19.2.10 a threat, or filing, of legal action against the Municipality.
- 19.3 Where one of the aforementioned criteria for supplier disqualification has been established, the Municipality will provide reasonable notice in writing to the supplier involved. After a reasonable opportunity for response from the supplier, the Municipality may formally disqualify a supplier from bidding on any Procurement Events offered by the Municipality for a period not exceeding three years.
- 19.4 A written decision shall be issued to all Suppliers disqualified, suspended or receiving demerits, outlining the occurrence(s) and the details pertaining to their disqualification, suspension or demerits.
- 19.5 Disqualification, suspension, or demerits shall be approved by the CAO.

## **20. Conflict of Interest**

- 20.1 All procurement activity must be conducted with integrity to maintain the public's trust, including identifying, mitigating, avoiding and addressing actual or perceived conflicts of interest in procurement processes.
- 20.2 Internal Conflict of Interest
- 20.2.1 All Municipal employees participating in a procurement process, including members of the evaluation team, advisors, external consultants, or other service providers, must declare any perceived, possible or actual conflicts of interest to the CAO or their designate.
  - 20.2.2 If employees are unsure whether a particular relationship or circumstance may give rise to a conflict of interest, they are to consult with the CAO or designate. If a conflict of interest is determined, the employee may be asked to remove themselves from specific aspects, or the entire procurement process.
  - 20.2.3 During the procurement process, participating employees and other participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, giving preferential treatment, or publicly endorsing potential Suppliers or products.
  - 20.2.4 Gifts, as mentioned in 20.2.3, do not include minor promotional materials such as pens, lanyards, socks, and similar items which might be readily provided at events such as conferences and trade shows.

## 20.3 Supplier Conflict of Interest

20.3.1 Solicitation Documents must be drafted to ensure Suppliers are aware they must declare and fully disclose any actual or potential conflict of interest or unfair advantage related to the preparation of their bid or where the Supplier foresees an actual or potential conflict of interest in the performance of the contract. Potential Supplier conflicts of interest or unfair advantages may include, but are not limited to:

- 20.3.1.1 Engaging any individual to take part in the preparation of the bid who was employed with the Municipality within 12 months prior to the solicitation closing date;
- 20.3.1.2 Engaging with any Municipal employee or a family member of any Municipal employee which may have, or appear to have, any influence on the procurement process, or subsequent performance of the contract;
- 20.3.1.3 Access by the Supplier to confidential Municipality-owned information that is materially related to the Procurement Event and that was not readily accessible to other prospective Suppliers; or
- 20.3.1.4 Engaging in conduct that compromises, or could be seen to compromise, the integrity of the open and competitive procurement process.

20.4 When a potential Supplier conflict of interest or unfair advantage is identified, the CAO or designate will determine whether measures should be implemented to mitigate or address the real or perceived conflict of interest or unfair advantage.

## 21. Special Services

21.1 Council shall approve the awards for all the following special services:

- 21.1.1 Legal services shall be acquired by Open Procurement at intervals not greater than every five years. These services may be contracted on a one-year term to be renewed on an annual basis for up to a five year maximum on terms satisfactory to the Municipality.
- 21.1.2 Banking services shall be acquired by Open Competition at intervals not greater than every five years. These services may be contracted on a one-year term to be renewed on an annual basis up to a five-year maximum on terms satisfactory to the Municipality.
- 21.1.3 External audit services shall be acquired by Open Competition at intervals not greater than every five years. These services may be contracted on a one-year term to be renewed on an annual basis up to a five-year maximum on terms satisfactory to the Municipality.

## 22. Purchases From Municipal Employees & Members of Council

22.1 Employees and sitting Members of Council operating as a sole proprietorship, in a partnership, or a director of a limited company shall adhere to all Policy provisions within

this Section. Purchases made from limited companies in which an employee or member of Council holds shares shall follow standard procurement Policy; however, the employee or member of Council must excuse themselves from the procurement process, citing a conflict of interest.

- 22.2 The Municipality shall only purchase Goods or Services from employees or a sitting Member of Council under the following terms:

22.2.1 the Good or Service is of a unique nature, such that only the employee or Council Member would be able to provide or is otherwise not available from another Supplier as determined by the Chief Administrative Officer; and

22.2.2 the cost of the Good or Service is provided at the same price as it would be for the general public.

- 22.3 Employees, Members of Council, or their Immediate Family Members shall not purchase personal use items through the purchasing system except where specific purchase plans are offered.

- 22.4 Employees, Members of Council, or their Immediate Family Members shall not purchase surplus items which may be for sale under the terms of this Policy.

## **23. Disposal of Surplus Equipment**

- 23.1 Items which are likely to be of use to another department of the Municipality can be transferred, after notice is given to all departments of the availability of these items, regardless of the item's value.

- 23.2 The CAO may approve surplus assets with a value which does not individually exceed \$5,000 be provided, without compensation, to any non-profit group, association, or entity.

- 23.3 Surplus items may be made available via public sale or Procurement Event, or disposed of appropriately, if the item is deemed defective, dangerous, or no longer appropriate for use.

- 23.4 Information technology equipment which is obsolete or deemed surplus shall be handled consistent with the security recommendations of the Information Technology Division, including, without limitation, destruction or wiping of hard disks, memory, and imaging prior to donation, sale or disposal. Electronics shall typically be taken to an authorized center for recycling.

## **24. Ethics and Compliance**

- 24.1 Any Supplier having a customer account with the Municipality, which is in arrears, will have such arrears deducted from any payments due to the Supplier. Such deduction may be waived by the Treasurer, where the Supplier has entered into an acceptable payment arrangement.

- 24.2 Employees participating in Procurement Events shall adhere in the strictest sense to Policy HR-06-002: Code of Ethics. Due to the level of scrutiny applied to procurement, Employees participating in an active procurement are prohibited from accepting any gift or favour from any Supplier who is, or may be perceived to be, participating in that Procurement Event, prior to its award.



24.3 In compliance with s.12(k) *Public Procurement Act*, the Municipality shall submit all legislated reports to the provincial government with respect to procurement policies and activity.

24.4 All employees and Members of Council must act in good faith to comply with this Policy, though failure to comply with this Policy does not invalidate any procurement decision or act of the Municipality, nor is the Municipality liable to any supplier or prospective supplier for failing to comply with this Policy.

## 25. Document Review & Signing Authorities

25.1 The Municipality shall establish guidelines and standards for review of procurement and purchasing documents as well as signing authorities. Such details shall be prescribed in Appendix A: Document Review and Signing Authority.

## 26. Responsibilities

26.1 Council will:

- 26.1.1 Ensure the Municipality has a current and comprehensive Procurement Policy; and
- 26.1.2 review and amend this Policy as required.

26.2 The Chief Administrative Officer:

- 26.2.1 will implement this Policy;
- 26.2.2 may identify and propose revisions to this Policy;
- 26.2.3 may develop procedures consistent with this Policy; and
- 26.2.4 may, in writing, delegate their authority under the Policy.

## 27. Amendments

| Date         | Amendments                                                                                                                                                                                                  |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| May 7, 2019  | Amendment to the location for opening of tenders; addition of invitation to the Chair of the Budget & Finance Committee for tender openings.                                                                |
| May 2, 2023  | Amendment to position titles; increase in authorization threshold that may be delegated to a Manager from \$5,000 to \$10,000; clarification that amounts referenced in the Policy include non-rebated HST. |
| July 8, 2025 | Substantial re-write; removal of all procedural matters, addition of signing authorities (Appendix A).                                                                                                      |

## **Appendix A: Document Review & Signing Authority Guidelines**

Each request for signature shall be accompanied by a written acknowledgment confirming that all relevant documents have been reviewed by the appropriate parties prior to submission.

All documents requiring signatures shall be subject to a two-step review process:

- The Manager overseeing the procurement shall review and submit documents to their Director or the Deputy Chief Administrative Officer.
- The Director or Deputy Chief Administrative Officer shall review and submit to the Chief Administrative Officer for final approval and signature.

Purchasing Authority limits are established as follows:

- Chief Administrative Officer: \$50,000 or over, or otherwise directed by this Policy
- Municipal Treasurer: up to \$50,000
- Director or Deputy Chief Administrative Officer: up to \$25,000
- Manager: up to \$10,000
- Non-Management Staff: up to \$2,500

In the absence of the designated Purchasing Authority, the approval shall escalate to the next most senior level of authority as identified above.

Procurement Events involving alternative procurement methods, or cases where fewer than three quotes are obtained or deviations from standard procurement practices occur, must be reviewed by the Procurement Officer and signed by the Chief Administrative Officer.