

**PROCUREMENT & PURCHASING POLICY  
VILLAGE OF TIVERTON  
POLICY # POL-1-2024**

**Purpose**

1. To provide procedures for the procurement of goods, services, and/or construction by the Village that establishes and maintains public accountability, consistency, competitiveness, and a high degree of confidence in the purchasing process, while providing best value to the Village.

**Definitions**

2. In this policy,

a. "Clerk and Treasurer" means the persons appointed and employed by the Village as Clerk and Treasurer as described in the Municipal Government Act, and Chief Administrative Officer.

b. "GS&C" means goods, services, and/or construction considered for procurement.

c. "Village" means Village of Tiverton

d. "Village Commission" and "Village Commissioner" have the same meanings, as defined in the Municipal Government Act.

**Principles Supporting Policy**

3. Village of Tiverton has the objectives of:

a. purchasing GS&C at the lowest possible cost that is nevertheless consistent with an acceptable level of quality, delivery, service, and past performance; and

b. providing a control mechanism over the purchase of GS&C relative to budgetary approvals.

**Terms of Policy**

**Application**

3. This policy applies to the procurement of all GS&C by purchase or lease.

4. All employees and Commissioners must act in good faith to comply with this policy, nevertheless, failure to comply with this policy does not invalidate any purchase decision or act of the Village, nor is the Village liable to any supplier or proponent for failing to comply with this policy.

**Procedures**

6. It is the responsibility of the Clerk and Treasurer to ensure that all procurement by the Village is for Village of Tiverton use, cost-effective, and is carried out in accordance with this policy and legal requirements.

7. Subject to the specific sections of this policy, where possible, all GS&C are to be procured on a competitive basis.

8. Consistent with the stated objectives, all procurement made on a competitive basis must be made at the lowest possible cost, provided the quality, delivery and service are equivalent. Past performance is an important consideration factor

9. When significant cost savings may accrue to the Village, consideration should be given to coordinating purchase of common GS&C with other levels of government.

10. Where certain GS&C that meet the needs of the Village may only be provided by one supplier, and therefore the normal procurement practices are determined to be redundant, negotiation is to be the method used to complete the terms and conditions of purchase.

11. The Clerk must maintain a filing system that records proof of verbal and written quotations and bids.

#### Purchase Orders

12. Subject to the specific sections of this policy, a purchase order must be issued to authorize a vendor to supply GS&C for all purchases. A purchase order must be used as the tool to finalize an award process for the procurement of GS&C.

13. Purchase orders must be requisitioned and duly approved prior to purchase to ensure the Treasurer is aware of all expenditures.

14. If, for urgent reasons, immediate acquisition is necessary and it is not possible to deliver a purchase order prior to acquisition, a purchase order will be issued as soon as possible thereafter and marked "confirmation".

15. No purchase order is required for a purchase otherwise authorized by the Clerk and Treasurer when such expenditure is within the budget allocation.

#### Purchasing Process

16. There are four levels of purchasing which must be observed:

a. Informal purchasing

i. Where the value of individual GS&C does not exceed, in any one case, one thousand five hundred dollars (\$1,500), at least one verbal or written quotation must be obtained. Formal price comparisons are not necessary but may be appropriate from time to time to ensure the Village receives the best value. Such purchases, if within budget allocation, may be approved by staff that have been designated by the Clerk and Treasurer to have purchasing authority. It is the responsibility of the purchasing authority to confirm, prior to purchase, whether sufficient budget allocation exists.

ii. Where the value of any individual GS&C exceeds one thousand five hundred one dollars (\$1,501) but does not exceed five thousand dollars (\$5,000), no less than two verbal or written quotations must be sought, and written record kept. Such purchases, if within budget allocation, may be approved by the Clerk and Treasurer, or otherwise by resolution or motion of the Village Commission.

iii. It is the practice of the Village to support local suppliers as much as possible, in compliance with the policy principles, for informal purchasing.

b. Invitational bids

i. Where the value of individual GS&C exceeds five thousand dollars (\$5,000), but does not exceed:

Goods Twenty-five thousand dollars (\$25,000)

Services Fifty thousand dollars (\$50,000)

Construction One hundred thousand dollars (\$100,000)

in any one case, at least two quotations must be obtained.

iii. The purchase must be approved by resolution or motion of the Village Commission.

c. Publicly advertised tenders

iv. A public tender call must only be made if the GS&C have been budgeted for or otherwise approved by Village Commission.

v. Advertisement of public tenders must be posted in a local or Provincial newspaper in print or electronic format, and/or on the Service Nova Scotia and Internal Services Procurement website. Additional methods of advertisement may be used to supplement, but not replace the preceding method(s).

vi. The Village may directly notify specific suppliers of a public tender call and invite those suppliers to respond if the Village believes that doing so is likely to improve the quality or quantity of bids or proposals.

vii. The purchase must be approved by resolution or motion of the Village Commission.

viii. An alternative procurement process must not be used to avoid competition or to discriminate against specific suppliers.

vix. In the case of a pressing emergency, where the delay resulting from inviting tenders or bids would be injurious to the public interest and/or the Village's assets, and quorum of Village Commissioners cannot be reached within a reasonable amount of time, the Clerk and Treasurer may approve the purchase and report it to the Commission at the earliest date thereafter.

16. Purchase Order

a. Purchases are initiated with the appropriate level of signed authorization.

b. A written agreement or contract may be completed when warranted instead of or in addition to a purchase order (i.e. for retaining consultants or service providers).

c. The original copy of a purchase order must be forwarded to the vendor, the carbon copy must be forwarded to the Clerk once issued for matching with the vendor's invoice when received, and the Treasurer must retain the third copy. The purchase order must be signed by the proper authority depending on the cost of the goods acquired, as outlined in the 'purchasing process' section of this policy.

d. The purchase order must describe the GS&C, the account and/or project to be charged, the terms and conditions, and must be priced and extended as to total cost.

17. Public tender

a. Public tender documents must be prepared based on the template in place from time to time as approved by the Clerk and Treasurer, that includes at a minimum:

i. Instructions to bidders;

ii. Tender information to understand the project background, scope, and other relevant details;

iii. General conditions;

iv. Bid sheet;

v. Drawings and/or specifications, where appropriate;

vi. Contract agreement, where appropriate; and

vii. Disclosure that tender documents and bids/proposals will be open to the public, except to the extent otherwise stated, as per Part XX of the Municipal Government Act.

b. Public tender documents must set out the closing date and time, the fact that all tenders submitted must be in sealed envelopes, clearly marked with the purposes of the tender.

- c. The following privilege clauses must be included in each tender document:
- i. The Village reserves the right to cancel this tender and any and all proposals submitted for any reason without penalty or liability to any proponent.
  - ii. Proponents are advised that the lowest cost proposal or any other proposal will not necessarily be accepted.
  - iii. The Village reserves the right to waive or not waive any non-compliance, formalities, informalities, irregularities, or technicalities in proposal responses and may, at its sole discretion, elect to retain for consideration proposals which are non-conforming, which do not contain the content or form required by the tender or because they have not complied with the process for submission set out herein.
  - iv. The Village retains the right to contact any or all proposing firms after submittal in order to obtain supplemental information and or clarification in either oral or written form.
  - v. Any oral communication made is not binding on the tender process.
  - vi. The Village may, at its sole discretion, proceed with all of the components, none of the components, or through change order reduce the number of components of the work as described in the tender.
- d. The Village should provide reasonable notice and opportunity to respond to public tender calls.
- e. When public tenders are received, they must be date and time stamped.
- f. Public tenders need not be opened in public, but must be opened in the presence of at least two people, one of whom must be the Clerk and Treasurer. The Clerk must ensure that a record is kept of the proceedings at the opening, including the names of those present in attendance, the date and time received, and the amounts of the bids.
- g. The Clerk and Treasurer, as agreed between them, must review, and prepare an analysis and comparison of the tenders received and make a recommendation for award.
- h. As circumstances demand, the Clerk and Treasurer may form an evaluation committee to evaluate, review, and rank the proposals, interview suppliers if necessary, and recommend award to the Village Commission.
- i. It is customary to award the tender to the bidder of the lowest price meeting the specifications. However, the Village reserves the right to make an award for reasons deemed to be in its best interest. An award must not be made in any circumstances to a firm that did not submit a bid on a tender call.
- j. In the event that all bids exceed the budgeted amount or otherwise do not meet the criteria established by the Village, one of the following options will be followed:
- i. Make an award to the lowest acceptable bidder based upon the amount of the budget overrun and the significance and priority of the purchase;
  - ii. Undertake negotiations in the scope of the work with the bidder submitting the lowest or otherwise preferred acceptable tender; or
  - iii. If the previous options are not acceptable, cancel the tender and do not purchase.
- k. The tender award notice is to be made by the Clerk or in their absence, the Chair and Treasurer. Along with a purchase order, a formal contract must be prepared for the total amount of the GS&C and executed by the Clerk and Treasurer and the successful proponent.

#### 18. Receipt of GS&C

- a. Immediately upon the receipt of GS&C, the department head or designee shall ascertain that the delivery is acceptable as to the condition, quality, and conformity to the purchase order requirements.

#### 19. Payment for GS&C

- a. Payments are cancelled if goods are returned, and payments are held when credit notes are pending, until received.
- b. Reasonable effort must be made to take all available vendor discounts.

- c. The business name and business number of a supplier must be clearly displayed on all invoices and small suppliers that do not charge HST must denote that on the invoice.
- d. Invoices and cheque requisitions must be forwarded to the Finance Officer for payment properly authorized and accurately coded by the Clerk and Treasurer or designee.
- e. The Clerk is responsible to verify that all appropriate steps and approvals for the acquisition of and payment for GS&C were in place using appropriate verification procedures.

#### Appendix B – Alternative purchasing

19. An alternative purchasing process may be used in the circumstances described below:

- a. A situation of urgency or emergency where the GS&C required cannot reasonably be obtained by means of open procurement, including but not limited to a lack of supplies or services that will have a significant adverse effect on the functioning of the Village, threaten public or private property or the environment, or jeopardize the health or safety of employees, volunteers, elected officials, or the public;
- b. Where, for technical reasons, there is an absence of competition and the GS&C can be supplied only by a particular supplier and no alternative or substitute exists (otherwise known as sole source);
- c. Services of professionals, including lawyers and accountants;
- d. Procurement from another level of government, or a not-for-profit organization; and
- e. Unsolicited proposals.

20. Except for emergency circumstances, the alternative procurement process for purchases greater than five thousand dollars (\$5,000) must adhere to the following process:

- a. The purchasing authority must submit their request in writing to the Clerk and Treasurer, explaining why they believe an alternative procurement purchase is necessary.
- b. The Clerk and Treasurer will review and assess the merit of the request and, if satisfied that an alternative procurement process is necessary, the request and explanation will be submitted to the Village Commission for approval.
- c. The Village Commission will review and assess the request, and notify the Clerk and Treasurer of the determination.
- d. The documentation of the reasoning and decision for an alternative procurement process is to be matched with the purchase order and vendor invoice.

Date the policy was reviewed by the Tiverton Village Commission Nov 14 2024

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John Ivens Chair W. Watson.

Wendy Watson Vice -Chair John ch.

Kendall Ossinger Clerk Kendall Ossinger