



PURCHASING POLICY

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|---------------------------|---------------------|
| Policy Number | P2021-01 |
| Classification | FIN |
| Effective Date | 2021-04-19 |
| Approval Authority | COUNCIL |
| Supersedes | 1989-01 and 2008-04 |
| Mandated Review | 2026 |

1. PURPOSE

- a) To establish uniform regulations, standards and procedures for the procurement of goods, services and construction by the different departments of the City of Bathurst.
- b) To assist municipal employees when it comes to purchasing the goods, services and construction necessary for efficient operations of the municipality in compliance with the Procurement Act, RSNB 2012, c 20 (hereafter called the Act) and its regulations.
- c) To eliminate all possibility of conflict of interest in compliance with the Local Governance Act SNB 2017, c 18.
- d) To obtain the goods, services and construction that best meet the needs of the City of Bathurst at a fair and reasonable price, and to assure that all suppliers are treated equitably and openly in all transactions.
- e) To ensure compliance with all applicable provincial and federal legislation.

2. SCOPE

The current policy applies to all municipal departments of the City of Bathurst for the procurement of all Goods, Services and Construction.

3. POLICY STATEMENT

The City of Bathurst will employ fair and transparent Municipal Purchasing activities that demonstrate its commitment to providing services in an effective and financially responsible manner.

1. PRINCIPLES

- a) The City of Bathurst uses a centralized purchasing department for its purchasing needs.

- b) The Purchasing Department is responsible for initiating and maintaining effective and professional relationships with suppliers and shall be the primary contact with suppliers.
- c) The Purchasing Department shall be responsible for the disposal of surplus of goods and materials as per the associated policy.
- d) The Purchasing Department and user Departments shall wherever possible, promote and co-ordinate the standardization of goods and materials used by the City.

2. THRESHOLDS AND ASSOCIATED PURCHASING METHODS

- a) The thresholds below determine the purchasing method to follow. The thresholds are directed by the Act and adapted to city requirements within those amounts.
- b) It is strictly forbidden to divide or separate the needs in order to bypass the thresholds. Any intention of using an exemption in accordance with provisions of this policy and/or of the Act shall be approved by the City Manager or his delegate.
- c) All threshold amounts in this policy are excluding taxes.

| THRESHOLDS | METHOD BY PURCHASING DEPARTMENT | ADVERTISING |
|---|---|------------------|
| < \$3,000 | <i>Solicitation required</i> As determined by purchasing department* | N/A |
| ≥ \$3,000 < \$10,000 | <i>Solicitation required</i> Request for Quotation (Invitation to bid) – Faxed or Email Three bids should be received | N/A |
| ≥ \$10,000 or < \$100,000 | <i>Solicitation required</i> Request for Quotation (Invitation to bid) – Sealed bids | N/A |
| ≥ \$100,000 | <i>Solicitation required</i> Public Tender solicitation** | 14 calendar days |
| * In some cases, a properly authorized corporate card can be used for direct purchases. Corporate cards should not be used as means to bypass the purchasing department. It should only be used as last resort when it becomes impractical to use other purchasing methods. The user must follow the obligations that are established with the ownership of the card. | | |
| ** Includes Requests for Proposals (RFP). If the price is not the only determining factor, RFP's can also be used with lower thresholds. | | |

3. TENDER OPENING

- a) The opening of any bid submissions shall be done at the location, date and time as described in the solicitation document.

- b) Only the name of the compliant bidders and their total bid price shall be disclosed if the competitive process is based on price. If the submissions are evaluated on a point system (ex. RFP), only the name of the bidders shall be released.
- c) Bid submissions shall be verified for accuracy and compliance with the mandatory requirements from the solicitation documents and shall be rejected if they do not comply.
- d) Tenders over \$100,000 may require a bid bond or certified cheque in the amount of 10% of the bid. The City reserves the right to request a deposit at a lower threshold.

4. TENDER EVALUATION

- a) Bids will be evaluated on the basis of the criteria specified in the tender documents. If no other criteria are specified, price will be the determining factor.
- b) In the case of submissions based on a point system, bids will be evaluated by a group consisting of members of the Department involved in calling the tender, supervised by the Purchasing Department.
- c) Following the evaluation, bidders will be officially notified of the results of the evaluation.

5. EXEMPTIONS

- a) The City may differ from the purchasing methods in section 5c in the event it meets the criteria cited in the Act or its Regulations. Any exemptions should be authorized by the City Manager or City Council within their respective authority limits.

6. SPENDING AUTHORITY

- a) All purchases equal or above \$100,000 before applicable taxes must be approved by Council.
- b) All purchase below \$100,000 before applicable taxes can be approved or delegated by the City Manager. This includes purchases made using corporate cards and the associated individual limits.

7. POLICY PROCEDURES (CONTROL)

- a) All purchases made in the name or on behalf of the City of Bathurst must be provided for within the respective municipal budgets, subject to the approvals indicated in the Signing Authority.

- b) The City Manager or its delegate is responsible for the purchasing controls in accordance with the current policy.
- c) Periodic verification can be made by the City Manager or its delegate for all purchases made on account of the City to ensure the associated Purchasing Procedures are followed and in accordance with the current policy.
- d) The Department Heads, in co-operation with the coordinators, must ensure that the purchases made for their departments have the best price-quality ratio for the life expectancy of the purchase.
- e) The Department heads will be responsible for any purchase made by personnel from their respective department.

8. EXCLUSION FROM PROCUREMENT PROCESS

- a) Notwithstanding the foregoing, any product supplier or service contractor who fails to comply with any municipal by-law, regulation or policy will be excluded from the purchasing process under this policy. The exclusion will apply as long as the non-compliance persists or compliance procedures are initiated against the product supplier or service contractor.

4. RELATED LEGISLATION

- *Local Governance Act, (2017, c 18.)*
- *Procurement Act, (2012, c 20.)*

5. REVISION HISTORY

| Date (mm/dd/yyyy) | Description of Change | Sections | Person who Entered Revision (Position Title) | Person who Authorized Revision (Position Title) |
|------------------------------|---|-----------------|---|--|
| 2022-06-20 | Spending Authority for the City Manager is increased to \$100,000 | 6 | City Clerk | Treasurer |