

**RM of Oakview**

| Rural Municipality of Oakview<br>POLICY AND PROCEDURE MANUAL |                                                                                                                         | POLICY NO:<br><br><b>2023-2</b><br><br>(Amended 2018-1)<br>(Amended 2021-3) |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| REFERENCE<br><b>Office</b>                                   | ADOPTED BY:<br><b>Resolution # 226 – 18</b><br>AMENDED BY:<br><b>Resolution # 35 – 21</b><br><b>Resolution # 340/23</b> |                                                                             |
|                                                              | Adopted Date: June 25, 2018<br>Amended Date: January 25, 2021<br>Amended Date: Oct 10, 2023                             |                                                                             |
| TITLE: <b>Tendering and Procurement Policy</b>               |                                                                                                                         | Head of Council:<br>B. Christie<br><br>CAO:<br>Marci Quane                  |

**PURPOSE:**

The purpose of this policy is to establish guidelines for the purchase of goods and services and for construction projects undertaken by the Municipality to ensure the financial resources of the Municipality are managed effectively and that purchases are made in the most cost-effective manner.

Through this policy, Council delegates to administration the authority to incur expenditures in accordance with the current year's Financial Plan (budget) through the processes set out in this policy;

**DEFINITIONS:**

**Goods** means a good that is produced, manufactured, grown or obtained in, used for a commercial purpose in, or distributed from, the territory of a Party;

**Services** means a service supplied or to be supplied, by a person of a Party;

**Construction** means a construction, reconstruction, demolition, repair or renovation of a building, structure 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 in and incidental to the construction, and the installation and repair of fixtures of a building, structure 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;

### **PRINCIPLES:**

The following principles will guide the procurement practices of the Municipality.

- An open, fair and consistent process for the procurement of all goods, services and construction projects that will ensure the best value for dollar spent;
- Procurement processes that encourage competitive bidding for the supply of all goods and services;
- Accountability of the Municipality for the procurement of goods and services.

### **SCOPE:**

The policy applies to the procurement of goods and services by purchase, lease, rental or other agreement by the Municipality.

During a state of local emergency where due to immediate need and time constraints normal procurement methods identified in this policy may not be able to be followed.

### **PROCUREMENT GUIDELINES:**

- a) **Under \$500** - obtain quotes from suppliers where practical.
- b) **From \$501 to \$7,500** - must solicit a minimum of 3 verbal quotes;

- c) **From \$7,501 to \$25,000** - must solicit a minimum of 3 written quotes (and include them with the invoice) and the purchase must be included in the annual budget, otherwise approved by resolution of Council;
- d) **From \$25,001 to \$50,000** - must be tendered or go through a request for proposal "RFP" process or a request for quote "RFQ" and be approved by the CAO if included in the annual budget, otherwise approved by resolution of Council. If approved by Council, the resolution number is to be stated on the invoice or payment request;
- f) **From \$50,001 to \$100,000** - must be tendered or go through a request for proposal "RFP" process or a request for quote "RFQ". CAO submits review and recommendation to Council for final review and approval by resolution of Council Resolution number is to be stated on the invoice or payment request;
- g) **Over \$100,001** must be tendered or go through a request for proposal "RFP" process or a request for quote "RFQ". Bid document and weighting criteria must be reviewed by Council prior to release. CAO submits review and recommendation to Council for final review and approval by resolution of Council. Resolution number is to be stated on the invoice or payment request.  
  
CAO will ensure a member of council is present for tenders over \$500,000.
- h) **Service agreements exceeding two years** – must be approved by resolution of Council.
- i) Council may by resolution exempt the requirement for tender or request for proposal "RFP" or request for quote "RFQ" at its discretion so long as the purchasing requirements still comply with the municipal guidelines under the Canadian Free Trade Agreement (CFTA) and the New West Trade Partnership Agreement (NWPTA). Procurement of services may not be subject to price comparisons where it is for exclusive/mandatory service or benefit agencies and warranty or specialized repair of specific equipment;
- j) Subject to a recommendation from the CAO to consider a sole source procurement, Council may at its discretion exempt the requirements for

tender or for a request for proposal if they feel it is in the best interest of the Municipality so long as the purchasing requirements still comply with the municipal guidelines under the CFTA and the NWPTA;

- k) The dates for the tender, request for proposal or quotation will be listed on the original document;
- l) Tenders and request for proposals with a value that is estimated to be less than \$500,000 will be opened by the CAO or his/her designate and any council member(s) wishing to be present;
- m) Tenders and request for proposals with a value that is estimated to exceed \$500,000 will be opened by the CAO or his/her designate and shall require the presence of at least one council member;
- n) A summary and analysis of all tenders is to be prepared for file in the event of award dispute or litigation;
- o) Tenders and request for proposals are to be delivered to the municipal office to the attention of the contact on the bid document;
- p) Tender and request for proposal openings are not open to the public; and
- q) Tenders and request for proposals received after the closing time as called for in the original document will not be considered and will be returned unopened.

### **Exceptions to Tendering Requirement:**

- Procurement made through the AMM Municipal Trading Company;
- Procurement made for Water and Sewer Service Connections and Incidental Mainline Extensions;
- Procurement conducted through the Manitoba Water Services Board;
- Procurement made during a time of emergency; and
- Professional services, including but not limited to engineering, auditing, or banking.

**Litigation Exclusion:**

- The RM exercises its right to refuse to deal with a contractor who is engaged in litigation with the RM. Tenders may not be accepted by the RM from any person, corporation or other legal entity (the “Party”) if the Party, or any officer or director of the corporate Party, is, or has been within a period of two years prior to the tender closing date, engaged either directly or indirectly through another corporation or legal entity in a legal proceeding initiated in any court against the RM in relation to any contract with, or works or services provided to the RM, and any such Party is not eligible to submit a tender.

**ESTIMATES:**

- a) Estimates may be required from selected vendors for the purpose of determining specifications and for budgeting purposes;and
- b) When requesting estimates, notice is to be provided to vendors that the information they provide is for the purpose of developing specifications and/or budget estimates only.

*Lowest applicable procurement threshold is set by MASH Sector NWPTA (procurement thresholds dated October 2020):*

- *\$75,000 for goods;*
- *\$75,000 for services; and*
- *\$200,000 for Construction*

**EMERGENCY PROCUREMENT:**

The CAO, Manager of Public Works, or Utility Operators may authorize an emergency purchase at the lowest price obtainable under the circumstances. An emergency purchase may only be authorized to alleviate a situation that constitutes danger to:

- i) Life or property within the corporation boundaries of the RM; or
- ii) Protect assets of the RM.

**ADDITIONAL RESOURCES:**

The link below is a recorded webinar to explain use and benefit of RFP's:

[Communication: Your Key to Successful Requests for Proposals https://www.cfta-alec.ca/canadian-free-trade-agreement/](https://www.cfta-alec.ca/canadian-free-trade-agreement/)  
[http://www.newwestpartnershiptrade.ca/pdf/NWPTA Jan 1 2019.pdf](http://www.newwestpartnershiptrade.ca/pdf/NWPTA_Jan_1_2019.pdf)