

Town of Oxbow

Tendering and Procurement Policy

PREAMBLE

The purpose of this policy is to establish guidelines for the purchase of goods and services, and for capital projects undertaken by the Town of Oxbow and guidelines for the sale and/or disposal of capital assets.

PRINCIPLES

The following principles will guide the procurement practices of the Town of Oxbow and the process for the sale of capital assets:

- An open, fair, and consistent process for the procurement of all goods, services, and capital projects that will ensure the best value for dollar spent.
- Procurement processes that encourage competitive bidding for the supply of all goods and services.
- An open, fair, and consistent process for the sale of surplus capital assets that will ensure the best value for capital assets sold.
- Accountability of the Town of Oxbow for the procurement of goods and services, and the disposal of surplus capital assets.

DEFINITIONS

Bid means a competitive bid received from a supplier in response to a verbal or written Request for Quotation, a Request for Proposal, or an Invitation to Tender.

Bid Opportunity means a publicly advertised invitation for suppliers to submit bids for the provision of goods or services through a Request for Quotation, a Request for Proposal, or an Invitation to Tender.

Goods mean all types of personal property (machinery, gravel, office supplies, computer hardware, land, etc.)

Services mean all types of services, including construction (consulting, engineering and design, accounting and auditing services, legal services, maintenance, operation and repair of buildings, machines or equipment, etc.)

SCOPE

The policy applies to the procurement of goods and services by purchase, lease, rental, or any other agreement by the Town of Oxbow, and the disposal of surplus capital assets.

PROCUREMENT GUIDELINES

The value of the goods and services is the total financial commitment resulting from the procurement, including premiums, fees, commissions, interest, duty, freight, and PST.

The following guidelines will be followed for the purchase of goods and services:

Up to \$10,000.00 — Goods and services with a value of up to \$10,000 may be purchased if funds are clearly identified in the Town of Oxbow's financial plan and/or audit.

More than \$10,000.00 and less than \$75,000.00 — For the acquisition of goods and services with a value of more than \$10,000 and less than \$75,000, at least 2 quotations will be required. These quotations shall be written except during a state of local emergency where due to immediate need and time constraints normal procurement methods cannot be followed.

More than \$75,000.00 — For the acquisition of goods and services of more than \$75,000, the Town of Oxbow will provide a bid opportunity.

The Town of Oxbow is not required to accept any bid if Council decides not to proceed with the purchase, if all bids are too high, or if none meet the needs of the Town. The Town of Oxbow retains the right to reject any bid for any reason.

1. METHODS AND PROCESSES OF PROCUREMENT

The Town of Oxbow will use the following methods of procurement:

Sole Source Purchases — Sole source purchases will be used in the following circumstances:

When there is only one available supplier of a required product or service that meets the needs of the Town of Oxbow.

During a state of local emergency where due to immediate need and time constraints normal procurement methods cannot be followed.

Request for Quotation — the Town of Oxbow may obtain quotations for provision of goods and services for which there are specific requirements in the following manner:

- By directly contacting known suppliers. This method will be used for the procurement of minor goods and services such as standard office supplies, repairs, small tools, etc.
- Written quotations will be obtained from at least 2 suppliers. Verbal quotations may be accepted for routine minor purchases. The Town of Oxbow will contact only local suppliers if it is determined that sufficient competition exists,
- Through a written Request for Quotations (RFQ) — an RFQ for the procurement of goods and services will be used where the goods and services have specific and detailed requirements, but are not considered to be "minor", and the cost of the good or service does not warrant the time and level of effort required for a formal tender process.

Suppliers will be invited to provide quotations for the sale of goods or services through public advertisement (bid opportunities).

Request for Proposals (RFP) — an RFP will be used to acquire professional services such as auditors, planning consultants, etc...

Potential suppliers will be asked to describe how their services, methods, equipment or products can address and/or meet the needs of the Town of Oxbow.

An award of a contract will be given to the supplier whose proposal is determined to be the most advantageous to the Town of Oxbow based on criteria for evaluation set out in the RFP and applied to all proposals.

Formal Tenders — the Town of Oxbow will formally tender for competitive bids for the procurement of capital items and capital projects.

Detailed specifications and requirements will be provided in tender documents. The evaluation of tenders will be against detailed specifications and requirements.

A Formal Tender is a formal, competitive, sealed bidding process.

2. ADVERTISING BID OPPORTUNITIES

All bid opportunities solicited through a written Request for Quotation, Request for Proposal, or a Formal Tender for the procurement of goods and services valued equal to or greater than \$75,000 and capital projects valued equal to or greater than \$200,000 will be posted on the Town of Oxbow website, advertised at least once in the local area newspaper, and posted on SaskTenders.ca for a period of at least 14 days.

All bid opportunities solicited through a written Request for Quotations, Request for Proposals, or a Formal Tender for the procurement of goods and services valued equal to or greater than \$340,600 and construction projects valued equal to or greater than \$8,500,00 will be advertised on an international electronic tendering

system such as merx.com and/or another system which is low cost, easy to use and readily accessible across Canada and internationally.

3. AWARD OF CONTRACTS

Quotations, proposals, and tenders will be awarded using the evaluations process that is specified in the procurement documents. Generally, the Town of Oxbow will award contracts as follows:

- to the bidder whose proposal has met established evaluation criteria, in the case of proposals submitted to the Town of Oxbow in response to a Request for Proposal.

When all factors are equal, in terms of price, quality, suitability, service and delivery, the Town of Oxbow may give preference to a "local" supplier.

The Town of Oxbow may enter into a contract with the successful bidder. The form of the contract will be determined by the Town of Oxbow. The Town of Oxbow will publish only the name of the successful bidder.

For direct request bids, only the names of those requested to bid and the name of the successful bidder will be published. All bid amounts and other information will be kept in a sealed file until such time as it can be disposed of according to the Town of Oxbow's Records and Retention Bylaw.

4. DELEGATION OF APPROVALS

Authority to approve procurements of a good or service is as follows:

Less than \$1,000.00 — formally designated officer, as long as the expenditure is identified in the Town of Oxbow's financial plan and/or pre-approved by the CAO and/or Council resolution

Less than \$10,000.00 — Chief Administrative Officer, as long as the expenditure is identified in the Town of Oxbow's financial plan or pre-approved by Council resolution

Over \$10,000.00 — Council

All contracts for professional services — Council

5. PROCUREMENT ACCOUNTING AND MANAGEMENT

Procurement Reporting System

The CAO will provide Council with a monthly report on contracts awarded under this policy. The CAO will provide Council with a monthly progress report for each capital construction project that is under way. A progress report will be provided each month, beginning with the starting month of the project until the completion of the project when all invoices relating to the project have been paid.

6. PROCESS FOR SELLING SURPLUS CAPITAL ASSETS:

Surplus capital assets will be disposed of in one (or in any combination) of the following manners:

- competitive bid process through a Request for Quotation
- public auction
- Posted on the Town of Oxbow website for at least 20 days before the closing date of the invitation to bid.
- Posted on the SUMA or any other municipal association website deemed appropriate.

Contracts for the sale of a capital asset to a bidder shall be awarded using the evaluation process that is specified in the invitation to bid. **The Town of Oxbow is not required to accept any bid, for any reason. The highest or any bid will not necessarily be accepted.**

The CAO may, with the approval of council, award surplus capital assets without competition or auction to any municipality in limited circumstances, as determined and approved by Council.