
TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

APPROVAL DATE: March 23, 2026

CAO Signature: 

1) Policy Statement

The purpose of this policy is to establish transparent procurement guidelines to ensure the most effective and efficient methods are used to provide best value for the procurement of goods, services and construction for the Town of Amherst (hereinafter referred to as the "Town").

The Town will conduct procurement practices in compliance with all Provincial legislation, International, National and Regional Trade Agreements, including the Atlantic Trade and Procurement Partnership (ATPP) and the Canadian Free Trade Act (CFTA)

2) Definitions

- a) Alternative Procurement (ALTP) - the procurement of goods, services and construction without a competitive process due to certain conditions/situations.
- b) Best Value - the bid that is determined as a result of a procurement process to be in its best interests, not necessarily the lowest price bid, which is determined by evaluation of bids based on criteria or factors that may include purchase price, life cycle cost considerations, environmental and social considerations, delivery, servicing, past experience and performance, and any other criteria or factors stated in the requesting documents.
- c) Bid - a supplier's response to a Request for Quotation (RFQ), Request for Construction (RFC), Tender, Request for Proposal (RFP), Request for Expression of Interest (REI) or a Two Phase Bid to provide goods, services or construction.
- d) Invitational Competition – is a competitive process in which an invitation to submit bids is issued to three suppliers, provided three suppliers can be identified.
- e) Local Preference Area – all suppliers located within the County of Cumberland and the Town of Tantramar, New Brunswick.
- f) Procurement Web Portal – means the public website owned by the Province of Nova Scotia where all public tender notices are posted.
- g) Public Request for Submission - refers to inviting responses to tenders, request for proposals, two phase bids, request for construction, request for expression of interest and request for standing orders.

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

- h) Purchase Card - a corporate credit card for the Town with various restrictions and limits based on the cardholder.
- i) Purchaser – a Town employee with the authority to purchase goods.
- j) Request for Construction (RFC) - used to publicly tender for a construction, reconstruction, demolition, remediation, repair or renovation of a building, structure, road, bridge or other engineering or architectural work.
- k) Request for Expression of Interest (REI) - process in which suppliers are invited to propose a solution to a problem and then those chosen are asked to respond to a subsequent Request for Proposal.
- l) Request for Quotations (RFQ) - informally obtaining price quotations from a number of different suppliers.
- m) Request for Proposal (RFP) - a formal invitation to suppliers to describe how their services, methods, equipment or products can address and/or meet the needs of the Town.
- n) Purchase Requisition/Purchase Order-an electronically generated document for the supply of goods or services from an approved vendor.
- o) Single Source – A single source procurement is an alternative procurement practice in which two or more suppliers can supply the goods and/or perform the services required by the Town of Amherst, but where the Town of Amherst selects one supplier over the others for reasons such as expertise, previous municipal or their related experience and not through a competitive process.
- p) Sole Source Procurement – is an alternative procurement practice in which it is evident that only one supplier can supply the goods and/or perform the services required and an award is made to that supplier.
- q) Standing Offer- a contractual arrangement with a supplier to provide certain goods or services on an “as required” basis, during a particular period of time, at a predetermined price or discount, generally within a predefined dollar limit.
- r) Sustainable Procurement- involves taking a holistic approach to obtain best value by integrating the following considerations in the procurement process:
 - Environmental considerations: e.g. Green House Gas Reduction, Waste Reduction, Toxic Use Reduction;

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

- Economic considerations: e.g. Life Cycle Cost, Fiscal Responsibility, Support for the Local Economy;
 - Social considerations: e.g. Employee Health and Safety, Inclusiveness and Fair Wage, Health Promotion.
- s) Tender- a formal request to solicit for goods, services or construction obtained through posting on the Town and the Provincial websites.

3) Guiding Principles

The following principles will guide the procurement practices of the Town:

- a) Procurement methods are to encourage competition, innovative ideas and solutions, wherever possible, while respecting all legislative and trade agreement obligations for the supply of goods services and construction.
- b) Procurement policy provides for the use of suppliers, who can be expected to provide satisfactory performance, based on, but not limited to:
 - (i) past performance and/or previous contacts
 - (ii) financial and other resources to complete the contract bid;
 - (iii) references
- c) Promoting the use of Sustainable Procurement when evaluating bids by striving to obtain best value, taking into consideration environmental, economic and social considerations.
- d) This policy does not apply to payments for reoccurring items such as utilities, leases, rentals and similar reoccurring operating charges, while recognizing that in some circumstances, the initial commitment that leads to these ongoing payments is subject to the provisions of this policy.

4) General

- a) This policy applies to all departments, agencies, boards and commissions of the Town over which the Town has jurisdiction.

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

- b) The procuring of goods, services and construction will be facilitated by the Director of the requesting department according to this policy. The Director shall approve all purchases in excess of \$25,000 prior to any employee acting within this policy.
- c) The Town will be under no obligation to accept any bid received which is considered to be not in its best interest, in response to a verbal or written request.
- d) The Town may work with other levels of government, other municipal units, other agencies, boards and commissions, and associations such as the FCM (Federation of Canadian Municipalities) and NSFM (Nova Scotia Federation of Municipalities) to encourage standardization of items and/or reduce overall costs to the Town for joint purchasing.
- e) The dollar values indicated within this policy are exclusive of HST and are in Canadian Dollars.

5) Purchasing Guidelines

The Town of Amherst must procure goods, services, and construction which are over the High Value Threshold using Public Competition. Where Public Competition is not possible, a department may, with the explicit written approval of the CAO, engage in Alternative Procurement Practices. When the maximum value of the procurement will be below the High Value Threshold, procurement must be completed in a manner consistent with, and in accordance with direction from the CAO. Staff must consider using competitive methods whenever practical to do so. When not practical or where there is urgency, technical or quality constraint, supplier scarcity, or other reasonable, in the opinion of the CAO, constraint which prevents competition staff may use Select Invitational methods (inviting two or more suppliers to bid) or non-competitive methods (direct award), subject to due diligence. Public Competition may be used at any threshold and is encouraged.

Breaking up procurement activity to reduce or keep the procurement value below certain thresholds is not permitted.

Canada Free Trade Agreement ("CFTA") thresholds are subject to adjustment and the actual threshold as of the date of the procurement will apply.

The High Value Threshold for goods and services is \$133,800 (plus HST) and \$334,400 (plus HST) for construction.

This Policy will be updated as soon as practical if those thresholds should change. The value of the Procurement relative to the Threshold does not relieve Staff from the obligation to manage risk when Identify the Need/Plan Over High Value Threshold, Alternative Procurement Practices, Public Competition Under High Value Threshold, Request Quotations/Select Invitational, Due Diligence/Direct Award Public Competition

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

6) Methods of Procurement

All procurement activity must be obtained through one of the following methods:

- a) Tender - A formal invitation to solicit competitive bids. It is used when detailed specifications are available that permit the evaluation of tenders against clearly stated criteria and specifications. A Request for Tenders (RFT) is a formal, competitive, sealed bidding process. Bid deposits and performance security may be required. The award is normally to the lowest bid received from a qualified bidder meeting the requirements of the tender and providing best value. Tender purchases shall be made by purchase order. Tenders must be opened in the presence of at least one elected official and the CAO or his/her designate at a time and location that is open to the public.
- b) Request for Proposal - A Request for Proposal (RFP) is a formal invitation to suppliers to describe how their services, methods, equipment or products can address and/or meet specific needs of the Town. It is used when a supplier is invited to propose a solution to a problem, requirement, or objective. Request for Proposals are evaluated against stated criteria to the terms of the RFP to determine if any should be accepted.

Negotiations with suppliers may be required to finalize any aspect of the proposal provided such discussion and negotiations are conducted to:

- (1) Award equitable treatment to each qualified bidder with respect to an opportunity for discussion and the revision of the proposal.
- (2) Prevent the disclosure of the proposal content of one proponent to another.

Proposals submitted in response to a request for proposal need not be opened in public. A list of the proponents may be made available upon request. An award of a contract based upon a request for proposals will be made to the supplier whose proposal has the highest score based upon the criteria for evaluation set out in the request for proposals and equitably applied to all proposals. RFP purchases shall be made by purchase order.

- c) Request for Quotation - A request for quotation is an informal request for prices for goods and services that the purchaser will attempt to solicit from at least three (3) different suppliers. This process is normally used where bid deposit and performance bonds are not required and where the cost of the work does not warrant the time and level of effort and expense required for a normal tender process. Quotations should be in written form and attached to the Request for Quotation form which must be completed and given to the Deputy CAO for filing once it has been awarded.

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

If a quote is obtained verbally, the person obtaining it must document the quotation, including time, date, supplier, price and description of the goods and services, the person from whom the quotation was obtained and the name of the municipal staff obtaining the quotation. The RFQ form should be used for documentation purposes. RFQ purchases shall be made by purchase order, or purchase card if in US Dollars

- d) **Invitational Competition** - A competitive procurement method in which the Town invites a minimum of three suppliers to submit bids – provided that three suppliers can be identified. This method is used when a full public competition is not required (often because the value is below the high value threshold) but competitive pricing and fairness are still desired.
- e) **Standing Offer** – A type of contract that results from a tender process to guarantee a continuous supply of various goods, services or construction at a specific price for a specific period of time. The term of the standing offer can vary in duration but will be clearly defined in the tender documents.
Standing Offers of the Government of the Province of Nova Scotia or other public sector entities may be used under the constraints within this policy where it is in the best interest of the Town.
- f) **Request for Expression of Interest** - This process is similar to the Request for Proposal and is sometimes referred to as a Pre-Qualification, where suppliers are invited to propose a solution to a problem. The REI, however, is only the first stage in the procurement process. Bidders responding to the REI will be short listed according to their scoring in the evaluation process. The short listed firms will then be invited to respond to a subsequent Request for Proposal. A REI does not normally include pricing as price is a key evaluation criteria used in the second stage RFP process.
- g) **Request for Construction** - Used to publicly tender for a construction, reconstruction, demolition, remediation, repair, or renovation of a building, structure, road, bridge, or other engineering or architectural work. When a supplier is invited to bid on a construction project the tender documents usually contain a set of terms and conditions and separate bid form that apply to that specific project. Suppliers are requested to submit a response (bid) in accordance with predefined criteria. The selection of the successful proposal is based on a number of factors as described in the tender documents. A request for construction usually does not include professional consulting services related to the construction contract, unless they are included in the specifications.
- h) **Negotiations** - Negotiations with suppliers for the supply of goods and/or services would take place when any of the following conditions exist:
 - (a) Due to market conditions, goods and/or services are in short supply;

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

- (b) There is only one source of the goods or services;
 - (c) All bids received are non-compliant or exceed the amount budgeted for the purchase;
 - (d) The extension or reinstatement of existing contract would be more cost effective or beneficial to the Town. The extension or reinstatement of existing contract is subject to the approvals listed in section 9 – Award of Contracts.
- i) Alternative Procurement - In certain circumstances, described in this section, the Town may purchase goods, services and construction without using one of the options set out above. An alternative procurement purchase may occur.

Alternative Procurement Practices may be used in the following circumstances:

- (a) Emergency - If strictly necessary, an urgent, serious, unexpected, and often dangerous situation requiring immediate action.
- (b) Ability to Maintain Security / Life / Health - Compliance with the competitive process requirements would interfere with the Province's ability to maintain security or order or to protect human, animal, or plant life or health. Non-urgent emergency.
- (c) Absence of competition a. Technical - Due to an absence of competition for technical reasons. b. Monopoly - For the procurement of goods or services where the supply is controlled by a supplier that is a monopoly. c. Prototype - For a prototype or first good or service that is developed in the course of, and for a particular contract for research, experiment, study or original development. d. Advantageous Circumstances - Purchases made under exceptionally advantageous conditions that only arise in short term cases of unusual disposals. e. Additional Deliveries – 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 or services cannot be made for economic or technical reasons.
- (d) Compatibility - To ensure compatibility with existing products, or to ensure the protection of patents, copyrights, warranties or other exclusive rights.
- (e) Confidentiality - Where goods or services regarding confidential matters are to be purchased and the disclosure through an open tendering process could be expected to compromise government confidentiality, cause economic disruption, or be contrary to public interest.
- (f) No Suppliers Satisfied the Conditions - No bids were submitted or no suppliers requested participation; no bids that conform to requirements of solicitation were submitted; no suppliers satisfied the conditions for participation.
- (g) Sustainability - To support businesses owned by members of underrepresented and underserved communities, including: Mi'kmaq and

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

persons of Indigenous descent, African Nova Scotians and persons of African descent, persons of colour/racialized persons; newcomers (immigrants and refugees), 2SLGBTQIA+, persons with disabilities, minority faithbased groups and persons who are neurodivergent.

- (h) Health and Social Services - For vital public services that prioritize public health and welfare.
- (i) Procurement Financed By Donations - For the procurement of goods and services financed primarily from donations that are subject to conditions that are inconsistent with this Policy.

**When an alternative procurement purchase occurs, the reason for doing so must be documented.

7. Local Preference

Nova Scotian Goods and Services Section 14 of the Public Procurement Act allows for preference to be given to Nova Scotia suppliers when the value of the procurement is below the High Value Threshold. Therefore, below the High Value Threshold, Municipal personnel (with the authorization of the CAO) may:

- Choose to apply a Nova Scotia preference, in accordance with the Public Procurement Act, including when considering evaluative criteria;
- Restrict the receipt of Invitational Competitions to Nova Scotia suppliers; and
- Such preference must be disclosed at the beginning of the procurement process and must be explicitly stated in the procurement documents.

The Town will apply a maximum 10% local preference to Nova Scotian bidders. The preference could be split between price and non price factors/scores. Example: with 5% on pricing and 5% on non price factors/scores. If local preference is to be used, it will be disclosed in the procurement documents at the time of release.

- To be considered for local preference you must be a company with it's head office in Nova Scotia or a branch in Nova Scotia where regular business activities are conducted on a permanent basis, is clearly identified by name and is accessible during normal business hours.

8. Award of Contracts

- a) The Chief Administrative Officer (CAO) or designate may authorize the award of the procurement of goods, services and construction:

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

- i) that are \$334,400 or less and are included within the approved operating and capital budgets; Awards over the value of \$334,400 (plus HST) will be submitted to Council for approval.
 - ii) that exceed the approved budget by 25% or \$100,000, whichever is less. This will be done when it is reasonable to do so and when options to achieve project completion or item procurement are limited.
 - iii) that is an emergency situation. In these cases, the CAO is authorized to make reasonable and informed procurement decisions (operating and capital) which are determined by him/her to be necessary. Among other things such decisions may be deemed by the CAO to be necessary to protect the legal interests or satisfy legal obligations of the Town, or involve a situation where failure to act could reasonably be expected to compromise Town confidentiality, cause economic disruption, or would otherwise be contrary to the public interest. Authorizations for such expenditures are considered to be over and above the other authorities given under this policy to exceed approved budget amounts.
 - iv) Where the purchase was the result of a public purchasing process conforming to the Town's procurement policy and The Atlantic Trade and Procurement Partnership, and all appropriate Trade Agreements and their subsequent amendments.
- b) All bids are subject to evaluation after opening and before award of contract. The bid request documents must clearly identify the requirements of the procurement, the evaluation method, evaluation criteria based on the purpose and objectives of this policy, and the weights assigned to each criterion.
 - c) Where award is over the limits established in the Atlantic Trade Procurement Partnership for the purchase of goods, services and construction, award amount and company name is to be posted on the Provincial Procurement Web Portal.
 - d) A quarterly report to Council of awards of contracts under the value of \$334,800 approved by the CAO or designate shall be made available to Council and shall show the name of the contract, the name of the successful bidder, the amount of the award, any person or company to whom a single or sole source has awarded, and the budgetary provision.
 - e) At the discretion of the CAO, any award of goods, services or construction may be referred to Council for approval.

9) Vendor Documentation Requirements

The following documents are required in order to work for the Town:

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

Workers Compensation Board (WCB) - WCB certificates are required any time a service and/or construction project is being completed on Town of Amherst property. The proponent MUST provide a valid WCB certificate prior to the commencement of any work. This certificate will state when the coverage expires. If the WCB certificate expires before the project is finished, then the replacement certificate MUST be received in order for the work to continue. Town employees have the right to stop any work in progress if an up-to-date WCB certificate is not provided. If the approved vendor is exempt from WCB, proof of the exemption will be supplied before work can commence.

Liability Insurance - Proponents must provide a valid certificate from their insurance company with the Town named and added under Additional Insured for liability purposes with at least \$2,000,000 liability coverage. This certificate must be provided before the commencement of any work.

Construction Safety- A Certificate of Good Standing is required from a registered safety certified company such as the Nova Scotia Construction Safety Association whenever any type of construction, reconstruction, demolition, remediation, repair or renovation is being completed on Town property for any projects that are over \$10,000. This documentation must be provided before the commencement of any work.

10) Code of Ethics

All procurement carried out by the Town must be conducted according to policies, provincial and federal legislation, trade agreements and ethical business practices. All employees must in good faith, conduct business with current and prospective suppliers and be fair in all business dealings. We shall encourage the negotiation of an equitable and mutually acceptable settlement when a dispute arises and request removal from a procurement process when a personal conflict of interest is perceived. We shall require suppliers to provide accurate representations of goods, services and construction and encourage them to consider sustainability in their products. We shall strive to obtain best value for each expenditure.

11) Supplier Performance

- a) Suppliers may be subject to disqualifications if there is sufficient evidence of failure to meet the standards specified by the Town. Suppliers may be evaluated based on competitive price, quality of a product, contract adherence and performance and after sales service. Upon reasonable notice in writing to the supplier involved, and after a reasonable opportunity for response, a supplier can be disqualified for a period not exceeding three years from participation in solicitation for goods, services and construction when:

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

- i. Serious breach of contract indicating unwillingness to perform a contract in accordance with the terms and conditions or specifications or a record of unsatisfactory performance of one or more contracts in accordance with its specifications or both.
 - ii. The offer of any gratuity to an official or employee of the Town by a supplier or contractor for consideration.
- b) A written decision shall be issued to the person disqualified or suspended setting out its reasons for disqualification or suspension, to the usual business address of that person as shown in the records of the purchasing section.
 - c) Disqualification will be approved by the CAO.

12) Supplier Debriefing

Upon request of a supplier who is an unsuccessful bidder, the Town must conduct a debriefing with that supplier to provide feedback on the evaluation of the bid. The debriefing must be conducted as follows:

- a) the CAO or designate and/or Director, along with the person named in the documents, will attend the meeting;
- b) the debriefing must provide reasons for the disqualification of the supplier, or in the case where evaluation scoring was used, provide an overview of the supplier's score in each category and reasons for that score;
- c) the debriefing must also provide information to the supplier on how to improve future submissions;
- d) the debriefing must not disclose any information regarding other bidders or their submissions.

13) Contract Documents, Bid and Performance Securities and Specifications

- a) The CAO may, from time to time, approve such standard forms including bid and performance securities if any, for purchase by Invitation to Tender, Request for Proposals, Request for Quotations, sole source, or emergency purchases as well as forms of contract for types of purchase including but not limited to construction, supplies and installation or service as they may deem advisable.
- b) Bid bonds, performance bonds, irrevocable letters of credit and other securities including labour and material bonds may be required for such purposes in such form and in such amounts as the CAO deems advisable.

14) Special Services

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

- a) Legal Services - Legal services will be acquired by staff based upon qualifications, experience, services offered, past performance, proposed fees and other relevant considerations. The acquisition of legal services must be approved by the CAO in consultation with the Director(s) of the user department(s). (These services include expert witnesses, and subject experts required for legal proceeding, hearing or similar matter.) Legal services having a value of \$133,800 or more shall be approved by Council. The term for legal services will be at the discretion of the Town.
- b) Financial Auditing Services – These services may be contracted on a one year term to be renewed on an annual basis on terms satisfactory to the Town. Selection of an auditor shall be completed by the Audit Committee of Council who will recommend the selection of an auditor to Council. Annual selection and/or renewal of the contract for audit services will be made by the Audit Committee.

15) Tie Bids

After the assessment process is complete and it cannot be reasonably determined who has submitted the lowest compliant bid and a tie exists, the CAO or Deputy CAO may flip a coin to determine the award.

16) Suppliers indebted to the Town of Amherst

Any supplier/contractor having a customer account with the Town, which is in arrears, will have such arrears deducted from any payments due to the supplier/contractor. Such deduction may be waived by the CAO, where the supplier/contractor has entered into a payment arrangement deemed to be suitable by the Treasurer.

17) Purchases by Town of Amherst Employees

Employees or immediate family members (husband, wife, son, or daughter) of employees of the Town are not permitted to purchase personal use items through the purchasing system except where employee purchase plans are being offered.

ROLES AND RESPONSIBILITIES

Title/Role	Responsibilities
Policy Owner	The policy owner is responsible for ensuring that the policy is implemented and being followed. In addition, they are responsible for reviewing the policy regularly for relevancy and compliance with provincial guidelines.
Staff	All personnel that fall within the scope of this policy must follow the policy

TITLE: Procurement Policy
SECTION: Financial Management
POLICY NO: 3700-01

Procurement Coordinator	Facilitate the implementation of the policy, including the Open and Invitational procurement processes. Support procurement at all threshold levels. Develop and provide procurement templates and tools. Periodically review procurement practices within the province.
--------------------------------	---

For Administrative Use Only:

VERSION LOG

Amendment Description	Policy Owner	Approved By	Approval Date
	Title/Last Name	Council	
Creation of the policy	CAO, MacDonald	Council	April 30, 2007
Amendment to bring the policy into compliance with Atlantic Procurement Agreement	CAO, MacDonald	Council	Sept 28, 2009
Amendment to bring the policy into compliance with Atlantic Procurement Agreement	CAO, MacDonald	Council	Nov 26, 2012
CAO may authorize the procurement of goods, services and construction that are \$250,000 or less and are included within the approved operating and capital budgets.	CAO, MacDonald	Council	Nov 27, 2017
Increased purchasing limits and minor housekeeping amendments	CAO, MacDonald	Council	March 27, 2023
Increased purchasing limits and minor housekeeping amendments, changing titles	CAO, MacDonald	Council	June 23, 2025
Increased purchasing limit thresholds, revised local preference, removed redundant clauses	CAO, MacDonald	Council	March 23, 2026

