

**TOWN OF NEEPAWA**  
**POLICY & PROCEDURES MANUAL**  
**GOV #003**  
**PURCHASING**

General Administrative

PURPOSE

The purpose of this policy is to provide for the requisition of all services, supplies, materials, and equipment for the Town of Neepawa. This policy is to be utilized as a guideline and if the designated officer encounters difficulty in following the guidelines in specific instances, are to speak with the CAO to work out a reasonable solution for the purchase.

Designated officers and authorized employees may make expenditures as specified in their job descriptions in accordance with the provisions of this policy.

PURCHASES FOR THE TOWN OF NEEPAWA

Designated officers shall have the authority, according to the policies of the Municipality, to financially commit the Municipality to expenditures as outlined and approved within the annual financial plan. Designated officer may also approve expenditures for unexpected and emergency repairs necessary for the continued operations of the department that may result in an over expenditure in the financial plan, provided they have previously advised, and received the approval of the Chief Administrative Officer. In addition to this, the Chief Administrative Officer shall also have the authority to approve expenditures on outlined items within ten percent of estimated amounts provided that the total expenditures do not exceed the total outlined in the annual financial plan.

PURCHASES OF GOODS OR SERVICES UNDER \$25,000 (NON CAPITAL)  
PURCHASES OF CAPITAL ITEMS UNDER \$10,000.00

i) Purchases under \$2,000.00

These purchases may be made at the discretion of the Designated Officer.

ii) Purchases of goods or services between \$2,000 and \$25,000 (non-capital) and purchases of capital items between \$2,000 and \$10,000.00

**Under normal circumstances**, purchases in excess of \$2,000.00 shall have at least three (3) price quotes.

**It is recognized and accepted that** in the case of repairs on equipment or **the purchase of specialized items**, three suppliers may not be available. **The chief administrative officer shall be authorized to approve these expenditures.**

The tender process may be used where circumstances dictate.

Where ever possible, businesses owned and located within the municipality and registered with the municipality that normally supply goods and/or works shall be contacted to provide a quote. The business that will be awarded the opportunity of providing the municipality a good/service will be based on : price of goods, cost of freight, length of time of delivery, quality of product, warranty, and service history and capabilities. The designated officer or authorized employee purchasing shall determine which price quote is the most beneficial for the municipality. A local quote that is within 10% of the lowest quote received may be accepted.

PURCHASES OF GOODS OR SERVICES OVER \$25,000 (NON-CAPITAL)  
PURCHASES OF CAPITAL ITEMS OVER \$10,000.00

The tender process should be used for purchases of goods and services over \$25,000 (non-capital), and purchases of capital items, over \$10,000. When it is impractical to tender, 3 quotations may be obtained.

Designated Officers shall be responsible for forecasting and including major purchases in their respective areas within the financial plan. They shall also be responsible for initiating the tender process with the approval of the Chief Administrative Officer. In cases of large public works capital projects, tenders may be initiated by our Engineering firm under the direction of the Chief Administrative Officer.

Unless circumstances dictate otherwise, the Tender or Request for Quotation documentation shall include:

- a pre-determined evaluation process with points assigned;
- a clean concise statement of the service or product requested and
- a section detailing the criteria for payment
- third party liability
- a statement which indicates the municipality reserves the right to reject any and all bids.

The evaluation process may include criteria such as qualifications, technical proposal including methodology, prior business with the municipality, and cost.

Invitations to bid may be advertised. Where circumstances permit selective bidding, a short list of suppliers will be provided. Wherever possible, businesses owned and located within the municipality and registered with the municipality, that normally supply such goods and/or works shall be contacted to provide a tender.

#### TENDER OPENINGS

Tenders shall be opened publicly. NOTE: Tender submissions that do not meet the terms, conditions, and specifications in accordance with the tender documents are to be rejected; unless the deviation is minor in nature (ie: an obvious typographical error, etc.)

Tender submissions that are received after the advertised deadline, are to be returned unopened to the originator.

No alteration shall be made to a tender after the opening, except where such alteration can be decisively shown to be an error in computation or typing. The bidder shall be advised and asked to confirm the alteration in writing.

#### AWARDING THE TENDER/QUOTATION:

Tenders shall be awarded using the Evaluation Process as specified in the tender documentation. The tenders or quotations for purchases of goods or services over \$25,000.00 (non-capital) and purchases of capital items over \$10,000.00 will be awarded by resolution of council.

With the awarding of the tender, the municipality shall enter into an Agreement with the successful bidder. Agreements for services exceeding one (1) year shall be adopted by resolution of council in accordance with the Manitoba Municipal Act.

The original bids, letters of award, and associated documentation are to be filed in the Town of Neepawa Municipal Offices. No information other than the price total stated in the tenders will be provided.