



TOWN OF SHELBURNE

PROCUREMENT POLICY

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PURPOSE

The purpose of this policy is to provide guidelines for the procurement of goods and services and to ensure that the Town of Shelburne:

- a) Promotes the effective use of funds allocated by Council for the purchase of Goods and Services by achieving the optimum quality, expertise, quantity, price and other material terms and conditions as may be applicable in the circumstances to obtain the best value for the Town.
- b) Promotes fair, open and transparent methods and processes of acquisition and disposal which achieve the most competitive and responsive offers, terms and conditions from the most qualified and responsive vendors.
- c) Authorizes purchasing decisions that are made as efficiently as possible through the delegation of authority and empowerment of staff while at all times having regard for the objectives of this policy.
- d) Has a policy in place so that those responsible for requisitioning and purchasing of Goods and Services are held accountable for their budget limit and spending decisions.
- e) Promotes procurement processes and decisions that are consistent with the Town's strategic objectives and comply with the Nova Scotia Procurement Act and the Atlantic Trade Agreements.
- f) Practices a life cycle management approach to asset management, not only looking at products and services from initial concept through procurement, but considering the issues around maintenance and disposal once the item is no longer functional or required.
- g) Considers the full cost of purchasing goods and services including staff time and municipal resources incurred in procuring all items including small dollar purchases. The use of standing offer suppliers to promote the control and/or reduction of procurement costs will also be considered.
- h) Maintains the highest level of integrity with respect to the purchasing of Goods and Services.
- i) Receives all Goods and Services in a timely and expeditious manner as required for daily operations and capital improvements.

DEFINITIONS

- a) **Agreement** means a legal document that binds the Town and all other parties, subject to the provisions of the contract.
- b) **Approval** means authorization to proceed with the purchase or disposal of goods and/or services.
- c) **Atlantic Procurement Agreement** means a document which requires municipalities to issue public tenders that are posted on the Provincial Procurement Portal for Goods over \$25,000; Services over \$50,000; and Construction over \$100,000.
- d) **Bid** means an offer or submission received in response to a request for quotation, proposal or tender which is subject to acceptance or rejection.

- e) **Bid Irregularity or Improper Bid** means a deviation between the requirements (terms, conditions, specification, special instructions, etc. of a bid request and the information provided in a bid response.
- f) **Budgeted Acquisition** means net departmental expenditures that have been authorized by Council by way of operating or capital budget approval or otherwise.
- g) **By-Law** means By-Law Number XXX being a by-law to adopt a procurement policy.
- h) **Card Holder** means a person having a Town credit card, entitling him or her to certain privileges, services, benefits, etc.
- i) **Chief Administrative Officer (CAO)** means the individual appointed by Council to fulfill the role of Chief Administrative Officer.
- j) **Council** means the Council of the Town of Shelburne.
- k) **Direct Purchase** refers to where goods and/or services are acquired directly from a service supplier, retailer, wholesaler or by ordering through a catalogue or product guide.
- l) **Emergency** means:
 - a. an imminent or actual danger to the life, health or safety of an official or an employee while acting on the Town of Shelburne's behalf;
 - b. an imminent or actual danger of injury to or destruction of real or personal property belonging to the Town;
 - c. an unexpected interruption of a public service;
 - d. an emergency as defined by the Emergency Management and Civil Protection Act and/or the emergency plan formulated by the Town of Shelburne;
 - e. issue of a non-compliance or direct order under a statute by a Provincial or Federal Authority.
- m) **Fixtures** means items of personal property which, through attachment to, or association with, real estate, loses its identity as personal property and becomes real property. An example might be desks, chairs or filing cabinets.
- n) **Goods and/or Services** means services, supplies, materials, equipment and infrastructure of every kind that may be required to carry out the operations of the Town.
- o) **Irregularity** occurs when any of the following has happened or is likely to happen:
 - a. All potential suppliers in a procurement procedure have submitted noncompliant tenders, quotations or proposals;
 - b. The lowest compliant quotation, tender or proposal exceeds the estimated cost or budget allocation;
 - c. For any reason the award of the contract to or the purchase from the lowest compliant potential supplier is procedurally inappropriate or not in the best interests of the Town; or
 - d. The specification of a request for quotation, request to tender or request for proposal cannot be met by potential suppliers.
- p) **Local** means located within the boundaries of the Town of Shelburne.
- q) **Local Preference** means an advantage relative to comparative pricing in an effort to support the local economy and vendors.

- r) **Manager** means the individual in a position with the responsibility for a Town department.
- s) **Municipal Government Act** means the Act enacted by the Provincial Government governing how municipalities will govern themselves.
- t) **Non-Budgeted Acquisition** means the purchase of goods and/or services that are deemed to be necessary but are not in the budget.
- u) **Professional Service Supplier** means a supplier of services requiring professional skills for a defined service requirement including:
 - a. Architects, engineers, designers, management and financial consultants; or
 - b. Firms or individuals having specialized competence in environmental, planning or other disciplines.
- v) **Purchase Order** means the purchasing document used to internally track purchasing transactions within the Town accounting system and order routine goods and/or services.
- w) **Quote** means a request for the dollar value of a specific item.
- x) **Request for Quotation** means a request made either generally or to selected potential suppliers for prices on specific goods and/or services.
- y) **Request for Proposal** means a request made either generally or to selected potential suppliers for undefined goods or services including a request to propose solutions or methods to arrive at the desired result.
- z) **Request for Tender** refers to a competitive procurement process for obtaining bids based on precisely defined requirements for which a clear or single solution exists.
- aa) **Response** includes:
 - a. a quotation issued by a supplier in response to a request for quotation;
 - b. a tender submitted in response to a request for tender; and
 - c. a proposal issued in response to a request for a proposal.
- bb) **Revenue-driven** means a process with an ideal result based on higher revenues.
- cc) **Standing Supplier Agreement** means a contract under which the Town may purchase goods and/or services which will be required on an ongoing basis but where the exact types or quantities of goods and services required may not be precisely known or the time period during which the goods and services are to be delivered might not be precisely determined.
- dd) **Supplier** means any individual or organization providing goods and/or services to the Town including but not limited to contractors, consultants, vendors and service suppliers.
- ee) **Town** refers to the Municipality of the Town of Shelburne.
- ff) **Town wide procurement** means the acquisitions of goods and/or services on a Town wide basis.
- gg) **Treasurer** means the individual named to act in the capacity of Treasurer for the Town of Shelburne.

APPLICATION

1. This policy shall apply to the purchase of goods, services, or construction for the purposes of all Town departments.
2. This policy shall not apply to the acquisition or disposal of any real property or fixtures or to any lease, right or permission relating to the use or occupation of real property.
3. Each Manager shall have the responsibility and authority for the procurement of goods, services or construction for his or her department provided that:
 - a. No expenditure, purchase or commitment shall be incurred or made, and no account shall be paid by the Town for goods, services or construction, except as provided in this policy or otherwise approved by Council; and
 - b. No contract shall be entered into and no expenditure shall be authorized or incurred unless Council has provided funds for such purpose in the annual budget or otherwise agreed to the provision of such funds; and
 - c. No expenditure shall be authorized or incurred in excess of the funds provided for such purpose in the annual budget or otherwise agreed to by Council; and
 - d. No expenditure, purchase or commitment shall be incurred or made without serious consideration of the effects of said procurement in relation to the health and safety of the Town's employees.
4. The Treasurer shall be responsible for:
 - a. Providing procurement advice including preparing procurement documentation;
 - b. Administering this policy;
 - c. The development of cooperative purchasing plans with other levels of government, municipalities, boards, agencies, commissions or private sector entities where such plans are determined to be in the best interests of the Town;
 - d. The standardization of all procurement procedures;
 - e. The disposal of surplus stock;
 - f. The preparation of reports to Council in accordance with this policy.
5. The policy shall not apply to goods and services set out in Schedule "A" to this policy.
6. The Treasurer shall review compliance of this procurement policy to current legislation at least every two (2) years.
7. No procurement of goods and/or services shall be divided to avoid any requirements of this policy.
8. Unsolicited proposal received by the Town shall be rejected but may be retained on file for future reference.
9. Any question involving the meaning or application of this policy is to be submitted to the Treasurer.

SPENDING AUTHORITY

The Council of the Town of Shelburne has ultimate authority for all expenditures. Council delegates this authority through the authorization of budgets or by specific resolution. The Treasurer cannot pay for any item, unless specifically provided for in this policy, that has not been authorized by Council through the budget appropriation or specific resolution.

For the purpose of this policy, procurement is considered either a:

- Budget acquisition or a
- Non-Budgeted Council authorized acquisition.

Budgeted Acquisitions

Departmental expenditures shall be authorized by Council each year as part of either the Operating or Capital budget process. Upon approval of these budgets, Managers have the authority to purchase goods and services, request formal or information quotes and tenders, but are not authorized to overrun departmental operating budgets, except in accordance with this policy.

1. In the event that there is a period of time between the last regular meeting of Council in any fiscal year and the adoption of the budgets for the next fiscal year, the Treasurer is authorized to pay the accounts of any ordinary business transactions of the Town that are required to maintain services. This shall include the payment of accounts or previously approved capital items and projects.
2. Within the expenditure limits and the policies and procedures set out herein, staff shall be and are hereby authorized and empowered to procure "budgeted" goods and/or services in the name of the Town and/or initiate procurement processes as may be necessary to carry out the duties and operations of the Town.
3. Thresholds governing authorizations of budget acquisitions are as follows:

| Budgeted Purchases, Agreement and/or Contracts Authorization Limits | |
|--|--|
| Value | Authorization Required |
| \$0 - \$5,000 | Manager |
| \$5,000 - \$10,000 | Manager and CAO |
| Over \$10,000 | Manager, Treasurer and CAO Concurrence |

Non-Budget Acquisitions

1. For goods and services that are deemed to be necessary but are **not** in the budget or **exceed** the budget allocation, the Manager shall obtain authorization prior to procurement of goods and services as per the following chart :

| Non- Budgeted Purchases, Agreement and/or Contracts Authorization Limits | |
|---|---|
| Value | Authorization Required |
| Under the greater of \$10,000 or 20% of a budgeted. | Manager, Treasurer and CAO Concurrence. |
| Over the greater of \$10,000 or 20% of a budgeted. | Council of the Town of Shelburne |

2. Staff shall be and are hereby authorized and empowered to procure “non-budgeted” goods and services in the name of the Town and/or initiate procurement processes as may be necessary to carry out the duties and operations of the Town within the expenditure limits and the policies and procedures set out herein.

Budgeted and Non-budgeted Contracts or Agreements

1. Contracts or Agreements that do not comply with the templates of the Town shall be reviewed by the Township Solicitor and authorized by Council.
2. Notwithstanding the above, all agreements/contracts authorized by Council By-Law shall be executed by the Mayor and CAO.
3. Council shall identify, at budget approval time, any proposed purchase over \$50,000 which they wish to have brought back to Council prior to proceeding with the actual purchase.
4. A summary sheet will be made available, via the Information Only section of the Council Agenda, advising of the Request for Proposal, Request for Quotation, a Request for Tender results and awards that have occurred.

METHODS OF PROCUREMENT

Goods and/or services may be acquired by one or more of the following methods subject to the provisions of the by-law and provisions of this policy:

- a. Direct Purchase (DP)
- b. Request for Quotation (RFQ)
- c. Request for Proposal (RFP)
- d. Request for Tender (RFT)

Direct Purchase (DP):

1. A direct purchase for non-competitive purchases by staff within their assigned expenditure limits may be used in the following circumstances:
 - The goods and services are readily available at retail outlets or from service providers;
 - Are required on an item by item basis;
 - The total price is less than \$1,000.

2. In order to reduce the cost of procurement (staff time), staff may purchase items under \$500.00 without obtaining quotes but will endeavour to obtain best value.
3. Managers may approve expenditures with a value of \$500 to \$1,000 provided that two (2) quotes (verbal, email or internet) quotes are obtained and recorded, as a minimum.
4. All expenditures over \$1,000.00 and below \$5,000 shall require three (3) written quotes or internet quotes as a minimum (which shall be recorded by the Manager).
5. Direct purchases should be made using one of the following methods and in accordance with the policies associated with each:
 - A purchase order or standing supplier agreement, if available;
 - A Town credit card;
 - A pre-arranged method whereby the supplier has agreed to invoice the Town;
 - Petty cash (small \$ value only)

Request for Quotation (RFQ)

Request for Quotation procedures may be used where:

1. The estimated price is above \$5,000 but not greater than \$20,000
2. The requirements can be completely defined
3. The best value for the Town can be achieved by an award selection made on the basis of the lowest quotation that meets specifications; and
4. Where a competitive process can be undertaken whereby a minimum of three (3) quotations are obtained where possible, and generally speaking the lowest compliant quotation is awarded the contract. Care must be taken as to how quotations are sought, the bidder's lists are maintained and how competition is encouraged. Although a minimum of three (3) quotations are generally required, a more open process will be more competitive, and is encouraged. (ie. More than three (3)).

Request for Proposal (RFP)

Request for proposal procedures may be used where:

1. the requirement is best described in a general performance specification (what the anticipated result will be)
2. innovative solutions are sought; and
3. to achieve best value, the award selection must be based, at least in part, on subjective evaluations of proposals.

Note: In accordance with the Nova Scotia Procurement Act, the Request for Proposals that are for items defined in the Nova Scotia Procurement Act are required to be placed on the Provincial Procurement Portal.

Request for Tender (RFT)

Request for tender procedures may be used where:

1. the estimated price is greater than \$20,000
2. the requirement can be completely defined; and
3. best value for the Town can be achieved by an award selection made on the basis of the lowest tender that meets the specifications.

Note: In accordance with the Nova Scotia Procurement Act, these Request for Tenders are required to be placed on the Provincial Procurement Portal.

EXCEPTIONS TO METHODS OF PROCUREMENT

During the course of operations, there is a requirement for exceptional situations in which the standard process may be varied. These instances include the following:

- a) Non-competitive purchases
- b) Sole Source purchases
- c) Standing Supplier Arrangements
- d) Exclusion of Supplier in Litigation
- e) Exclusion of Supplies due to poor Performance
- f) Procurement in Emergencies
- g) Cooperative Purchasing

Non-competitive Purchases

The requirement for competitive bid solicitation for goods and/or services may be waived under joint authority of the CAO, Treasurer and appropriate Manager and replaced with direct negotiations with a particular potential supplier under the following circumstances:

1. where competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, technical secrets or controls of raw materials;
2. where due to abnormal market conditions, the goods and/or services required are in short supply;
3. where only one source of supply would be acceptable and cost effective;
4. where there is an absence of competition for technical or other reasons and the goods, services or construction can only be supplied by a particular supplier and no alternative exists;
5. where the nature of the requirement is such that it would not be in the public interest to solicit competitive bids as in the case of security and/or confidentiality matters;
6. where in the event of an "Emergency" as defined by this policy, a requirement exists;
7. where the requirement is for a utility for which there exists a monopoly;
8. items as per Schedule "A" attached.

Sole Source

When a sole source supplier is proposed to provide goods and/or services, a written report indicating the rationale for a non-competitive selection shall be submitted to Council for approval prior to the award of any contract.

Standing Supplier Arrangements

A standing supplier arrangement may be used where:

1. the same goods and/or services will be required on a repetitive basis over a period of time and the actual demand is not known in advance; or
2. a need is anticipated for a range of goods and services for a specific purpose such as office supplies or snowplowing services, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.

The selection of standing suppliers will be made in accordance with the provisions contained in this policy and shall be reviewed every two (2) years.

More than one standing supplier may be selected where it is in the best interests of the Town and the procurement documentation allows for more than one.

Existing standing supplier arrangements shall be utilized unless the proposed procurement is related to an emergency in accordance with the section entitled "Emergencies."

In the procurement documentation for a standing supplier arrangement, the expected quantity of the specified goods and/or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage adjusted any known factors that may impact usage.

Exclusion of Supplier in Litigation

The Town may, in its absolute discretion, reject a quotation, tender or proposal if the potential supplier, or any officer or director of the potential supplier is or has been engaged, either directly or indirectly through another corporation, in a legal action against the Town, its elected or appointed officers and employees in relation to:

1. any other contracts or services; or
2. any matter arising from the Town's exercise of its powers, duties or functions.

In determining whether or not to reject a quotation, tender or proposal under this clause, the Town will consider whether the litigation is likely to affect the potential supplier's ability to work with the Town, its consultants and representatives and whether the Town's experience with the potential supplier indicates that the Town is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the potential supplier.

Where the CAO, Treasurer and/or Manager are aware that a supplier is in financial difficulties, the Town will proceed with caution.

Exclusion of Supplier Due to Poor Performance

All Managers shall document evidence and keep record where the performance of a supplier has been unsatisfactory in terms of failure to meet contract specifications, terms and conditions or for Health and Safety violations.

Council may prohibit an unsatisfactory supplier from participating in future contracts for a period of up to three (3) years.

Procurement in Emergencies

When an emergency has occurred:

1. the Treasurer may undertake procurement in excess of preauthorized expenditure limits with the approval of the Mayor, or his or designate and the CAO up to a maximum of \$100,000 and;
2. any expenditures made under such conditions together with a source of financing shall be reported at the next meeting of Council following the date of expenditure and by email earlier, if possible.

Cooperative Purchasing

The Town may participate with other governments or public authorities in cooperative purchasing where it is in the best interests of the Town to do so.

The Town shall adhere to the policies of the government or public authorities calling the cooperative bid.

A report shall be submitted annually to Council to advise them of the goods, services and or construction purchased through this section of the policy.

GENERAL PROCUREMENT PROCESS

In all cases, the procuring Manager and any other affected department shall coordinate the procurements.

The Manager will ensure:

1. Completeness of documentation
2. advertisements are arranged
3. bid closing and opening date, time and location have been booked
4. bid opening subcommittee has been appointed; and
5. vendor contact information is appropriate.

The procurement process will include the following and/or consideration of the following:

1. Procurement Documentation Preparation
2. Contents of the Procurement Documentation
3. Procurement Package
4. Advertising
5. Amendments/Revisions to Procurement Documents

6. Submission Requirements
7. Withdrawal of Bids
8. Opening of Quotations, Proposals and Tenders
9. One or No Acceptable Response Received
10. Awarding the bid
11. Disposition of Deposit Cheque
12. Successful Bidder Does not finalize contract
13. Confirmation of Contract
14. Custody of Documents

Procurement Documentation Preparation

The procurement document will consist of a number of sections. When considered in its entirety, the document must contain the appropriate information so that staff evaluating bids can determine that:

- The bidder understands the full scope of the procurement for which bids have been invited, and
- The bidder is capable and willing to perform all of the required work or provide all of the required goods and/or services; and
- The bidder is capable and willing to enter into a legal agreement with the Town for the provision of the required goods and/or services; and
- The bidder offers, when required, financial guarantees that a formal agreement will be executed (signed). This may require a bid deposit. When a bid deposit is required, the Manager shall determine the amount of the bid deposit which may be ten percent (10%) of the estimated value of the work prior to bidding, an amount equal to ten percent (10%) of the bid submitted or such other amount as the Manager deems appropriate; and
- The bidder offers, when required, financial guarantees to ensure execution and performance of the contract. Guarantees may include one or more of, but are not limited to, financial bonds or other forms of security deposits, provisions for liquidated damages, progress payments and holdbacks.
- The bidder understands that moral, ethical and legal bidding practices must be adhered to in accordance with the municipal and provincial standards.

Contents of the Procurement Document

Procurement documents will contain at least the following:

1. A **cover sheet** indicating the bid number, the name of the procurement, the closing date and time, the name of the issuer and/or contact person within the issuing department as well as an indication of the posting of the document to the Provincial Procurement Portal.
2. **Information to bidders** containing non-technical information that advises the bidders of the general terms and conditions that apply to the tender of goods and/or services.
3. **Specifications** (used in the preparation of Requests for Quotation – RDQ) that provide details to describe accurately and precisely the nature, scope and extent of the goods and/or services required. Specifications may not be structured to exclude certain vendors or manufacturers unless there is documented evidence to warrant exclusion;

OR

Scope of Work (used in preparation of Requests for Proposal – RFP) that defines the objectives of the project and the scope of the services required.

4. **Bid Deposit** information advising if a bid deposit is required to ensure that a formal agreement has received commitment from the parties.
5. **Performance Guarantee** information to ensure proper execution of the work, a performance guarantee in the form of a certified cheque, irrevocable letter of credit, or bond (performance, labour and/or materials) may be required. All requirements must be clearly outlined in the information to bidders.
6. **Bidder Conduct** – a requirement from the bidder to confirm that the bidder has submitted a bid using legal bidding practices (included in the contract).
7. **Insurance** – the requirement for a Liability Insurance Certificate (Town of Shelburne listed as “additional insured”) with a minimum value of the criteria listed below. This should be used as a guide but each circumstance should be assessed individually and consultation provided by the Town’s insurer from time to time, as required.

\$2 million - General Liability Policy

\$2 million - Automobile Liability Policy

\$2 million - Homeowners (e.g. for rental of facilities)

\$5 million - General Liability and Automobile Liability policies – for contracts done for most Public Works projects.

\$2 million - Professional errors and omissions liability

Builder Risk -- The amount of the project cost

Bid documents must clearly indicate the insurance requirements to be provided by the successful bidder.

8. **Form of Tender** – when properly completed and signed, this is a legal offer by the bidder to carry out the tendered work. The Tender should include an acknowledgement from the bidder that he/she has reviewed and understands all of the tender documents, and that he/she is prepared and capable of fulfilling the proposed requirements for the supply of goods and/or services. Proper and clear identification of the bidder as well as clear bid prices must appear on the completed Tender Form.
9. **Evaluation Criteria** – depending on the method of procurement (especially a Request for Proposal RFP), evaluation criteria may be included in addition to identifying that price will also be considered. This element will usually be a weighted summary of the items to be considered in making the determination of who will be successful.

Procurement Packages

Upon a request from the prospective bidder, the Manager or designate shall supply one copy of the following:

- Cover Sheet
- Procurement Document
- Bid Form

Advertising

The following advertising procedures shall apply to all procurements, except procurements by direct purchase and in some circumstances, at the discretion of the Manager, request for quote.

Where only prequalified suppliers will be eligible to participate in a procurement process, notice of the request for quotation, tender or proposal shall be given by way of notice in the Town's standard form and forwarded to the selected supplier by regular mail, email, fax, courier, pick up or such other methods as may ensure notification and integrity of the process.

Where a procurement process will be open to all who wish to participate, notice shall be given by the following methods:

- Publication in a trade journal or other publication likely to be read by the group of potential suppliers, if applicable
- Publication on the Town's website
- Publication on the Provincial Procurement Portal, if required
- Publication in the local newspaper

Procurement advertising shall include the following:

1. Identification of the bid
2. A description of the goods and/or services sought;
3. the name and office address of the designated Town contact person;
4. date and time of closing; and
5. Where the procurement documents may be obtained.

The Town will make their best effort to maintain a posted notice on the Town website, listing reoccurring purchases, and when they are required in an effort to advise potential suppliers of goods or services.

Amendments/Revisions to Procurement Documents

An Addenda will be issued under the following circumstances:

- Interpretation of the procurement documents is unclear, usually resulting from queries from prospective bidders.
- Revisions, deletions, additions or substitutions of any portion of the procurement document. (This is not a common occurrence and staff should take every precaution to ensure that this event is rare.)

The Manager or designate responsible shall approve the issuance of any addenda.

Notification of Addenda to Prospective Bidders

A copy of all addenda shall be sent by registered mail, or by fax confirmed by a telephone call or by electronic correspondence when appropriate to each prospective bidder who obtained procurement documents. Additionally, the addendum may be posted on the Town's website. All remaining procurement documents not yet distributed shall have the addenda appended.

When an addendum must be issued within two (2) days of the specified closing date, the closing date may be extended to allow four (4) working days between the issuance of the addendum and the revised closing date. This extension is optional and shall be used as required.

Closing Date Extension or Cancellation

When it becomes necessary to extend the closing date or to cancel the tender, all prospective bidders who received procurement documents shall be notified of the cancellation using the method for notification of addenda detailed above.

When a tender is cancelled, no bid will be accepted. All bids shall be returned unopened to the bidders by hand or by registered mail with a covering letter signed by the issuing Manager or designate.

Submission Requirements

All bids shall be received at the Town office in the following form:

1. Initialed by receiving party, time and date stamped;
2. Receipt of the bid shall be recorded on a Bid Recording Form and safeguarded until after the bid closing time.
3. The bid must be submitted in a sealed envelope clearly marked with the bid #.
4. The correct, completed bid form, if supplied by the Town, must be used.
5. The bid must be legible, completed in a non-erasable ink and all items must be bid unless the tender specifically permits otherwise.
6. Adjustments by telephone, letter, facsimile, or electronic correspondence to a bid already submitted will not be considered. A bidder desiring to make adjustments to a bid must withdraw the bid and resubmit.

Any bids received after the closing time and date will not be accepted and will be returned unopened to the submitting vendor.

If any procurement requirements have not been met, the bid shall be considered to be an "Improper Bid" and dealt with as set out in Schedule "B" entitled "Acceptance or Rejection of Improper Bids."

Withdrawal of Bids

Prior to Opening

The withdrawal shall be allowed if the request is made before closing time for the bid. The withdrawal request must be directed to the noted Manager in writing on company letterhead and signed by a principal of the company. Telephone correspondence shall not be considered. Bids confirmed as withdrawn prior to being deposited with the Town shall be returned unopened to the bidder. The Manager will note the withdrawal of the bid on the Bid Recording Form.

The withdrawal of a bid does not disqualify a bidder from submitting another bid for the proposed procurement.

Withdrawal requests received after the bid closing time will not be allowed. The bidder shall be informed that the withdrawal request arrived too late for consideration. However, when the bids are read out at the bid opening, the bidder may then proceed in accordance with the following section entitled "During the Opening."

During the Opening

During a bid opening a bidder may withdraw a bid prior to the opening of the bids. The bidder shall attest in writing to her/his identity and state the bid he/she desires to withdraw. The Manager shall attach the withdrawal to the applicable bid and read out the bidder's name and announce that the bid has been withdrawn in accordance with established procedure. The Manager shall not open the withdrawn bid. Bids withdrawn under this procedure shall not be reinstated.

Opening of Quotations, Proposals and Tenders

The bids submitted shall be publicly opened by a subcommittee consisting of:

1. Manager of the issuing Department
2. Treasurer or designate
3. One staff member.

The Manager of the issuing department shall check the Bid Recording Form with the number of bids to be opened to ensure that all bids received are accounted for.

If a discrepancy occurs, the bid opening proceeding shall be delayed until all bids have been accounted for.

Each bid will be opened one at a time, read aloud and analyzed for compliance to determine that:

- All procurement requirements have been met as stated in the procurement documents and this policy; and
- All unit prices have been correctly extended and totaled.

Bids which do not conform to the procurement requirements or which require mathematical corrections shall be deemed “Improper Bids” and shall be dealt with as set out in Schedule “B” entitled “Acceptance or Rejection of Improper Bids.”

A written report outlining the bids received and the successful bid will be presented to Council for information.

One or No Acceptable Response is Received

Where the bids received in a procurement process exceed budget, are not responsive to the requirement, or do not represent fair value, a revised solicitation may be issued in an effort to obtain an acceptable response.

The Manager and the Treasurer jointly may waive the need for a revised bid solicitation and enter into negotiations with the lowest responsive bidder, or the highest responsive bidder for a revenue-driven bid selection emanating from a bid solicitation under the following circumstances:

- The total cost of the lowest responsive bid is in excess of the funds budgeted by Council for the project or the highest responsive bid revenue is less than that made; and
- The Manager and the Treasurer agree that the changes required to achieve an acceptable bid will not change the general nature of the requirement described in the bid solicitation.
- The Town has the right to cease negotiations and reject any offer at any time.

One Bid Received

In the event that only one bid is received in a procurement process, the Manager may:

- Return the unopened bid to the bidder informing the bidder that the Town may be reissuing the procurement at a later date; or
- Cause the bid to be opened and evaluated in accordance with the policy. If the bid is found not to be acceptable the procedures set out in the policy will be followed.

Two Equal Bids Received

The Town will offer an opportunity for supplier to re-submit. Should a tie persist the equal bidders shall draw straws.

Evaluation of Bids

A committee composed of the Treasurer, the Manager and one other staff person or a member of the public selected by staff for significant relevant experience related to the proposals being evaluated, will evaluate each proposal in accordance with the evaluation protocol outlined in the original request documentation (RFP or RFT). Each bid will be rated independently on each element of the evaluation protocol, the values will be weighted and each tallied accordingly. A summary sheet of the ratings provided to each bidder will be developed and maintained along with all the evaluators notes and individual rating sheets.

Local Preference

In an effort to support the local economy, all suppliers with offices in Shelburne County will be considered "local" for the purposes of this clause.

When evaluating the price element of the bid, local vendors will receive the following allowance when comparing their pricing to the pricing of vendors outside of Shelburne County:

| | |
|------------------------------|----------------------|
| Total cost up to \$10,000.00 | --- allowance of 10% |
| Total cost over \$10,000 .00 | --- allowance of 5% |

Awarding Bid

1. Once the appropriate steps have been completed, the Manager may use the bid form as the binding contract for the supply of the tendered goods and/or services.

The Manager of the issuing department shall notify each of the unsuccessful bidders of the awarded successful bid and thank them for their participation in the process, in writing.

The Manager shall obtain the following documents from the successful bidder:

- a. Material Safety Data Sheets for any WHMIS controlled products that will be used on site;
- b. WCB Clearance Certificate (no more than 60 days old)
- c. Liability Insurance Certificate with the Town of Shelburne listed as an additional insurer
- d. Applicable licenses and certificates for contractor's employees if applicable.

The Manager shall provide, to the contractor:

- a. Town's Health & Safety Rules & Regulations, and
- b. Equipment Lockout procedures if applicable.

2. The opportunity for public viewing of competitive bids or proposal documents and bidders list disclosure is as follows:
 - a. The winning bids and proposals become public information and may be disclosed upon a request by any member of the public. Bidders are informed in advance that if their bid is successful, it will become a public document.
 - b. Where a tender opening is public, summary bid prices shall be read out and a written summary of this information will be available for public viewing following the tender opening and shall also be provided on request at any time. Individual bid pricing schedules may also be available for public viewing following the opening for a limited period of time if requested by any member of the public present at the time of opening, including any involved bidders.

- c. Proposal openings may not be open to the public, however, the selection committee's notes, score sheets, and the winning proposal can be viewed by any member of the public upon request. Proponents are informed, in advance, that their proposals become a public document if they are successful.

Disposition of Deposit Cheques

When the recommendation has been made to award the contract to a specific bidder, bid deposits of the bidders shall be returned to the applicable bidders to the last known place of business. The bid deposit cheque of the successful bidder, as well as the bid cheque from the second choice bidder, shall be held until the contract is executed.

Successful Bidder Does Not Finalize the Contract

If the contract has been awarded and the successful bidder fails to sign the contract or provide the necessary security within the time specified in the procurement documents, the Manager may grant additional time to fulfill the necessary requirements or may recommend the following:

- a. that the contract shall be awarded to the next lowest bidder; or
- b. that the contract be cancelled.

In either case, the tender bid deposit of the successful bidder shall be forfeited and forwarded to the Treasury Department for deposit.

Confirmation of Contract

The executed contract or letter of award shall confirm all tenders, whichever is most appropriate. All payments will be made after authorization is received in writing from the responsible Manager and the Treasurer.

Custody of Documents

The Treasurer shall be responsible for the safeguarding of original purchasing and contract documentation for the procurement of goods and/or services.

OTHER CONSIDERATIONS

1. Access to Information

The disclosure of information received relevant to the issue of bid solicitations or the award of contracts emanating from bid solicitations shall only be made by the appropriate officers in accordance with the Policies and By-Laws of the Town and the Nova Scotia Freedom of Information and Protection of Privacy Act.

All records and information pertaining to tenders, proposals and other sealed bids, which reveal a trade secret or scientific, technical, commercial, financial or other labour relations information, supplied in confidence implicitly or explicitly, shall remain in confidential if the disclosure could reasonably be expected to:

- Prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organizations;
- Result in similar information no longer being supplied to the Town where it is in the public interest that similar information continues to be supplied;
- Result in undue loss or gain to any person, group, committee or financial institution or agency, or
- Result in information whose disclosure could reasonably be expected to be injurious to the financial and other interests of the Town.

2. Employee Code of Conduct Regarding the Procurement Process

- Employee Responsibility:** Employees of the Town must follow the highest standards of ethical behaviour in the course of their work to ensure that public confidence and trust is maintained.

Each employee is responsible for understanding and complying with the principles of conduct, all related policies, and any applicable laws, regulations, government guidelines and internal compliance. Any suspected fraud, breach of trust and other wrongdoing must be immediately reported to the Chief Administrative Officer.

- Corporate Conflict:** A corporate conflict occurs when, in the course of an employee's duties, the employee is called upon to deal with, or has been involved in a matter in which the employee has a direct or indirect personal interest.

A **direct** conflict arises when an employee may derive, or be seen to derive, some personal benefit or avoid a personal loss. An **indirect** conflict arises when the potential benefit or loss would be experienced by another person or corporation having a relationship with the employee. These benefits, losses, interests, and relationships are generally financial in nature but are not limited to such.

A conflict arises when any employee participates in activities, which advance personal interest at the expense of the Town's interests, which include public trust and confidence. Any behaviour, which is, or could be perceived as, a conflict is strictly prohibited and subject to disciplinary action.

Any employee must make a prompt and full disclosure in writing to the applicable Manager or CAO of any actual or potential corporate conflict including:

- A description of the corporate conflict.
- The nature of the direct or indirect personal interest.

- The identity of any persons or corporations in which there is a personal interest.

Upon receiving disclosure of the corporate conflict, the Manager shall take reasonable steps to ensure the employee is removed from the conflict situation. An actual or potential corporate conflict can arise without any intentional wrongdoing or improper conduct on the part of the employee. Employees will not be disciplined or treated adversely for making prompt and full disclosure of the circumstances.

Employees are expected to use sound judgment and the confidentiality agreement in a proactive fashion in order to maintain the public's trust in the Town's objectivity and integrity. Failure to disclose conflicts of interest will be treated as a serious matter and may result in disciplinary action.

c. Principles of Conduct

An employee shall not:

- Engage in any business or transaction or have a financial or other personal interest that is incompatible with the discharge of the employee's official duties, or corporate interests.
- Be under an obligation to any person who might benefit from special consideration or favour from the employee or who might seek, in any way, preferential treatment.
- Give, in the performance of official duties, preferential treatment to relative or friends or to organization in which relatives or friends have an interest; financial or otherwise.
- Be party to an application to the Town for a loan, grant, award, or other benefit or interest from any contracts where the employee has or can be perceived to have influence regarding decisions.
- Benefits from the use of information acquired during the course of official duties that is not generally available to the public.
- Engage in any outside work or activity or business undertaking:
 1. in which the employee has an advantage or appears to have an advantage derived from employment at the Town.
 2. That use Town property, equipment, supplies or services for activities not associated with the discharge of official duties.
 3. where the employee's external business activities compete with the Town services.

d. Professional Behaviour

Municipal employees interact with clients, community agencies, municipalities, contractors, suppliers, and the public on a daily basis. Employees must be professional, courteous and objective in all of these interactions.

The Town's employees are ambassadors of the municipality. Each employee must be conscious of the Town's public duty and their part in the discharge of that duty. They are expected to conduct themselves with the highest degree of ethical behaviour and integrity.

3. Vendor Conflict of Interest

All vendors, including sub-contactors, retained by the Town of Shelburne shall disclose to the Town prior to accepting an assignment, any potential conflict of interest. A declaration of the conflict shall be stated in a letter to the CAO. If such a conflict of interest does exist, the Town as directed by the CAO may, at his or her discretion, choose not to award or may withhold the assignment from the vendor until the matter is resolved to the satisfaction of the CAO.

If, during the conduct of a Town agreement, a vendor, including a sub-contractor, is retained by another client giving rise to a potential conflict of interest, the vendor shall so inform the CAO in a letter indicating the conflict of interest.

All vendors, including sub-contractors, acting as a consultant to the Town, shall have no pecuniary interest in the business of any third party that could cause or seem to cause, a conflict of interest in carrying out a project under contract. A declaration of an existing interest will be made to the CAO. The vendor shall not have any test or investigations carried out by an persons that may have a direct or indirect financial interest in the results of those tests or investigations.

The CAO may seek legal counsel, if required, for clarification of a potential vendor conflict.

4. Disposal of Surplus Equipment

All departments shall notify the Treasurer when items become obsolete or surplus to their departments.

The Treasurer, in conjunction with the Manager, shall be responsible for ascertaining if the items can be of use to another department. If no other department has a use for them, the item may be offered for sale by sealed bids, public auction or other method of sale, depending on the opinion of the Treasurer as to which method is most suitable for the equipment or material involved.

The revenue from the sale of obsolete material shall be deposited into the appropriate account.

CREDIT CARD PROGRAM

Objectives

The purpose of the Credit Card Program is to establish a more efficient and cost effective method of procuring and paying for **low** dollar value, high volume goods and services, as well as, travel expenses, registrations and other corporate affiliated expenses, while maintaining acceptable levels of control and accountability. The Town's objectives for the Credit Card Program are to:

- a) Reduce the costs of procuring and paying for low dollar value goods, services, and travel expenses by reducing the number of small orders and invoices processed and the number of cheques issued;
- b) Eliminate the issuance of travel and cash advances in addition to separate payments or registration fees, transportation costs, and accommodations;
- c) Maintain the existing levels of discounts negotiated with suppliers for prompt payment by providing a more efficient payment process;
- d) Streamline administrative functions and reduce the time spent by departments processing payments; and
- e) Maintain an acceptable level of accountability and safekeeping of the Town assets by setting appropriate limits and restrictions on the use of cards.

Credit Cards

Credit cards may be used by select authorized purchasers for procuring both goods and services for the Town. The credit card has a transaction limit which is set by the Town to meet the cardholder requirements. The Treasurer must use discretion in the number of cards in use at the Town by reviewing the nature of the positions which have cards and the requirement of their respective departments.

Unless a separate and different level has been specifically approved by Council, the credit card limits will be as follows:

| | |
|----------|-------------|
| Mayor | \$ 5,000.00 |
| C.A.O. | \$ 5,000.00 |
| Managers | \$ 2,500.00 |

These limits are defined as the maximums for individuals the Treasurer deems appropriate to have a credit card. The limits represent the total amount of purchases that can be charged to the card during a one month billing cycle.

Under no circumstances shall a transaction be split into two or more separate receipts to bypass the transaction dollar limit on the card or the approval limits of the employee.

The credit card may not be used to purchase or pay for:

- a) Personal purchases; or
- b) Cash Advances.

Overview

Orders, reservations, and registrations may be placed either by internet, fax, phone or in person. The monthly processing can be summarized as follows:

1. Authorized cardholders make purchases in the normal course of business and maintains a record of all card transactions.
2. Cardholders verify monthly statements against their record and purchase transaction logs (provided in Schedule "E") and provide project, process or reason for purchase.
3. Supervisor of the cardholder approves the statement for payment and sends to Treasurer for payment.
4. The Treasurer receives and pays the monthly billing allocating expenses according to details provided.

Receiving Goods

The cardholder shall keep a copy of all supporting documentation (ie. Cash register and credit card receipts, vendor notices, purchase register, etc.) and attach it to the monthly statement. The cardholder shall certify that the goods have been received by signing the sales slip.

Disputed Items and Returns

Disputed items are purchases that do not accurately reflect the transactions made by the cardholder (ie. Wrong amount, incorrect account number, multiple posting, etc.) The cardholder shall be responsible for reporting these as soon as possible to the bank and the Treasurer.

Problems with merchants relating to unsatisfactory goods, late delivery, changes from quoted process, etc. shall not be considered disputed items and shall be settled directly with the vendor by the buyer. In the event the goods are to be returned to the supplier, the cardholder shall request a Return Confirmation Number from the supplier along with return instructions and forward the goods back to the supplier in accordance with these instructions. All credits must be processed against the credit card, under no circumstances shall a cash refund be permitted.

Billing and Statements

Purchases made on the credit card shall be the liability of the Town. Upon receipt of a monthly bill, the Treasury department will ensure payment is effected promptly to avoid financing charges. Individual card statements detailing purchasing activity during a billing cycle will be reconciled by the cardholder in a timely manner and returned to Treasury.

Reconciliations

In order to keep a record of the purchases on the card and perform proper statement verification, the cardholder will maintain a transaction record or log. This record will assist in the verification of the monthly card statement. It is possible that all card transactions may not appear on the statement due to timing differences. In these cases, the cardholder shall make a note of this to ensure the transaction is carried forward to

the next month's transactions for verification against the following month's statement. Missing credits shall be addressed directly with the vendor.

In order to verify the monthly card statement, the cardholder shall keep a copy of the transaction records. A transaction log may be used for this purpose and is a good way to record items such as registrations for which the buyer does not receive a transaction record at all times.

The following information shall be provided on the transaction log:

- Cardholder Name
- Cardholder signature verifying accuracy and accepting responsibility
- Purchase Date
- Vendor Name
- Description of goods purchased – project, process or equipment
- Total amount of invoice
- GST amount
- Budgeted Account to be allocated
- Manager's signature of authorization

If purchases appear on the transaction log and not on the corresponding statement, the cardholder shall document these purchases on another log to be used for the following month and cross them off the current month's log.

Card Issuance

Cards shall be issued in the name of the Town and the individual designated by the Treasurer. The Treasurer shall be responsible to ensure that the individual is familiar with the guidelines for the use of this card as outlined in this document. Upon receipt of the card, the cardholder shall be required to sign a Cardholder Agreement, as set out in Schedule "C."

Card Cancellation

Credit cards will be cancelled when the cardholder no longer meets the cardholder profile, no longer requires the card, the card is lost or stolen or when the cardholder is terminating employment with the Town. The card may also be cancelled if it is not used in accordance with the guidelines outlined in this document. Any card can be cancelled at any time by the Treasurer, or the cardholder's Manager.

A written request from the cardholder's manager shall be forwarded to the Treasurer with the name of the cardholder and the reason for cancellation. The Treasurer shall contact the bank and shall confirm the cancellation. It shall be the responsibility of the Manager to ensure that terminated employee's cards are cancelled immediately upon termination from the Town. It shall also be the Manager's responsibility to ensure that cancelled credit cards are returned to the Treasurer for destruction.

Lost or Stolen Cards

All credit cards shall remain the property of the Town and must be protected in the same way as a personal credit card. Should the card be lost or stolen, it shall be the cardholder's responsibility to report the event immediately to the bank and to the Treasurer.

If the cardholder requires assistance with statements, disputed items or other issues, they may contact the Treasurer.

Roles and Responsibilities

1. Treasurer & Card Administrator

The Treasurer/Card Administrator will be responsible to:

- Administer and audit the credit card program
- Maintain a master list for all cards
- Maintain all original cardholder agreements
- Ensure monthly billings are paid in a timely fashion
- Ensure cardholders are completing statement reconciliations accurately
- Offer training and support to cardholders when issues occur during the process
- Overall administration of credit card program

2. Cardholder

The cardholder will be responsible for:

- The security of their card and should not share the credit card or the card number with other individuals;
- The use of the card in accordance with the guidelines outlined in this document and other related policies and procedures;
- Confirm budget allocation for items being purchased;
- Keep supporting documents (i.e. Cash register and purchase card receipts, vendor notices, packing slips, etc.) related to all purchases made with the card for reconciliation;
- Maintain a log of transactions for statement verification and providing expenditure details
- Submit all supporting documents and a reconciled statement to Finance within one week of receipt of the statement
- Contacting the supplier if there are any problems with the order received and address disputes for a resolution
- Ensure all returns are credited to the statement
- Reporting lost or stolen cards to the bank and the Treasurer
- Returning the card when requested to do so.

SCHEDULE "A"

GOODS AND SERVICES EXEMPT FROM PROVISION OF THE POLICY

1. Petty Cash Items
2. Training and Education including:
 - a. Conferences
 - b. Courses
 - c. Conventions
 - d. Magazines
 - e. Memberships
 - f. Periodicals
 - g. Seminars
 - h. Staff Development
 - i. Staff Workshops
 - j. Staff Relations
3. Reimbursable Employee/Council Expenses including:
 - a. Cash advances
 - b. Meal allowances
 - c. Travel expenses
 - d. Accommodation
4. Employer's General Expenses including:
 - a. Payroll deduction remittances
 - b. Medicals
 - c. Insurance premiums
 - d. Tax remittances
 - e. Vehicle Licenses
5. Licenses, certificates and other approvals required
 - a. Additional non-recurring Accounting and Auditing Services
 - b. Banking services
 - c. Group Benefits
 - d. Realty Services
 - e. Doctor and/or veterinarian services
6. Real Property acquisitions, including the leasing of property;.

SCHEDULE "B"

ACCEPTANCE OR REJECTION OF IMPROPER BIDS

Extreme care shall be exercised to ensure that improper bids are handled in a manner that is fair to the other bidders as well as the public.

The decision as to whether an improper bid shall be accepted or rejected shall be based upon the following considerations:

1. Is the intention of the bidder clear?
2. Has the bidder made a conscientious attempt to comply with the submission requirements?

The following are guidelines only and are intended to illustrate some of the discretion permitted. The Manager will review each case.

| IRREGULARITY | RESPONSE |
|---|---|
| Late bids | Automatic rejection |
| Unsealed envelopes | Automatic rejection |
| Not completed in a non-erasable medium | Automatic rejection |
| Incomplete bids – part bids – all items not bid | Automatic rejection except where the tender form clearly states that an award may be made for individual items or where in the opinion of the Manager, the incomplete nature is trivial or insignificant |
| Qualified bids – qualified or restricted by an attached statement | Automatic rejection except where the tender change is requested by the Town or where in the opinion of the Manager, the incomplete nature is trivial or insignificant |
| Financial security not submitted or insufficient | Automatic rejection |
| Bid not properly signed | Automatic rejection |
| Mathematical errors | <ol style="list-style-type: none">1. If the amount tendered for a unit price item does not agree with the extension of the estimated quantity and the tendered unit price, or if the extension has not been made, the unit price shall govern and the total price shall be corrected accordingly.2. If both the unit price and the total |

| | |
|---|---|
| | <p>price are left blank, the bid will be rejected as incomplete.</p> <p>3. If the total price is left blank for a lump sum item, the bid will be rejected as incomplete.</p> <p>4. If the bid contains an error in addition and/or subtraction in the approved procurement documentation format requested, the error shall be corrected and the corrected total contract price shall govern.</p> <p>5. Bids containing prices which appear to be so unbalanced as to likely affect the interests of the Town adversely, will be clarified, and may be rejected.</p> |
| Agreement to bond insufficient or not submitted | Automatic rejection |
| Bids received on documents other than those provided by the Town | Automatic rejection unless, in the opinion of the Manager, the matter is trivial or insignificant. |
| Illegible or obscure bids | Automatic rejection. |
| Bids containing additions, erasures, alterations, errors or irregularities of any kind. | May be accepted as long as the bidder initials the changes within the time limit given. |
| Failure to include signature of person Authorized to bind the bidder in the space provided in the procurement document. | Automatic rejection. |
| Condition placed by the bidder on the Tender Form. | Automatic rejection. |

SCHEDULE "C"

CREDIT CARD CARDHOLDER AGREEMENT

Employee Acknowledgement of Responsibilities and Obligations Form

The Town of Shelburne is pleased to present you with a credit card. It represents the Town's trust in you and your empowerment as a responsible employee of the Town to safeguard and protect the Town's assets.

I, _____, hereby acknowledge receipt of a Town of Shelburne credit card, number _____.

As a cardholder, I agree to comply with the terms and conditions of this Agreement and the applicable provisions of the Credit Card Policy. I acknowledge receipt of the Credit Card Policy and confirm that I have read and understand its terms and conditions. I understand the Township is liable to the Bank for all charges made by me.

As the cardholder of this credit card, I agree to accept responsibility for the protection and proper use of this card as outlined in the Credit Card Policy. I understand that the Township may audit the use of the credit card. I also understand that I cannot use the procurement card for restricted uses listed in the Credit Card Policy.

I further understand that improper use of the Credit Card may result in disciplinary action up to and including termination of employment. Should I fail to use the credit card properly, I authorize the Town to deduct from my salary or from any other amounts payable to me, an amount equal to the total of improper purchases. I also agree to allow the Town to collect any amounts owed by me even if the Town no longer employs me. If the Town is required to initiate legal proceedings to recover amounts owed by me under this agreement, I agree to pay legal fees incurred by the Town in such proceedings.

I understand that the Town may terminate my right to use this Credit Card at any time for any reason. I agree to return the Credit Card to the Town's Treasurer immediately upon request or upon termination of my employment.

Cardholder Printed Name: _____

Signature: _____ Date: _____

SCHEDULE "D"

Procurement Card Application/Change Form

A credit card is requested for:

Name: _____ Department: _____

The above-named individual is responsible for purchasing goods and services in the performance of their position responsibilities, and as such, requires a credit card.

Type of Purchases:

Recommendations:

After giving consideration to the types and volume of purchases that I would expect to be covered by the credit card of this employee, I would recommend the following:

Transaction Limit: _____
(maximum value per transaction)

Monthly Balance Limit: _____
(maximum total purchases per month)

Supervisor's Approval: _____ Date: _____

Treasurer's Approval: _____ Date: _____

