

**ADMINISTRATIVE ORDER 2020-004-ADM**

**PROCUREMENT ADMINISTRATIVE ORDER**

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**ADMINISTRATIVE ORDER NUMBER 2020-004-ADM  
PROCUREMENT ADMINISTRATIVE ORDER**

**BE IT RESOLVED, as an Administrative Order of the Council of the Halifax Regional Municipality, as follows:**

**Short Title**

1. This Administrative Order may be cited as Administrative Order Number 2020-004-ADM, the *Procurement Policy*.

**Purposes**

2. The purposes of this Administrative Order are to:

(a) provide for the procurement of Goods, Services and Construction by the Municipality in a fair, open, consistent and transparent manner resulting in Best Value;

(b) promote procurement processes and decisions that are consistent with the strategic goals and objectives of the Municipality;

(c) provide for sustainable procurement by integrating environmental, economic and social considerations in the procurement process;

(d) maintain ethical business practices;

(e) respect regional, national and international trade agreement obligations and other applicable legislation; and

(f) encourage competitive bidding for the supply of Goods, Services and Construction.

**Interpretation**

3. In this Administrative Order,

(a) “Agent” means a person or entity expressly appointed through a written contract with the Municipality to purchase Goods, Services or Construction on behalf of the Municipality;

(b) “Alternative Procurement” means a procurement method whereby the Municipality contacts a supplier or suppliers of its choice;

(c) “Award” means the decision of the Municipality to enter into a contract for Goods, Services or Construction with a particular supplier;

(d) “Best Value” means the bid that is determined by the Municipality to be in the Municipality’s best interests, taking into account not only purchase price and life cycle cost considerations, but also taking into account items such as environmental and social

considerations, delivery, servicing, past experience, past performance, and any other criteria or factors stated in the call for bids;

(e) “Buying Group” means a group of two or more members that combines the purchasing requirements and activities of the members of the group into one joint procurement process. Buying groups include cooperative arrangements in which individual members administer the procurement function for specific contracts for the group, and more formal corporate arrangements in which the Buying Group administers procurement for group members. Buying Groups may consist of a variety of entities, including any combination of procuring entities, private sector entities, or not-for-profit organizations;

(f) “CAO” means the Chief Administrative Officer of the Municipality;

(g) “Competitive Procurement” means a procurement method whereby all interested suppliers may submit a bid;

(h) “Construction” means the construction, reconstruction, demolition, repair or renovation of a building, structure, road or other engineering or architectural work, excluding professional consulting services related to the construction contract unless they are included in the procurement;

(i) “Council” means the Council of the Municipality;

(j) “Department” means a department of the Municipality’s administration designated as such by the CAO, and for greater certainty includes Halifax Regional Police and Halifax Regional Fire & Emergency;

(k) “Director” means the Director of a Department, and for greater certainty includes the Chief of Police, and the Chief of Fire;

(l) “Goods” means materials, furniture, merchandise, equipment, stationery and other supplies required by the Municipality for the transaction of its business and affairs, including services that are incidental to the provision of such supplies;

(m) “Low Value Purchase” means the procurement of Goods, Services or Construction valued at less than \$10,000;

(n) “Manager” means a person other than a Director who has a managerial role within a Department and a direct reporting relationship to the Director of that Department or to the CAO;

(o) “Municipality” means the Halifax Regional Municipality;

(p) “Notice of Intended Procurement” means a notice published by the Municipality inviting interested suppliers to submit a bid, a response to a request for supplier prequalification, or both;

(q) “Personal Services Contract” means an agreement, whether or not in writing, establishing an employment relationship between an individual and the Municipality and includes an amendment or extension of such agreement;

(r) “Procurement Manual” means the processes, protocols, and best practices document maintained by the Procurement Section;

(s) “Procurement Section” means the organizational unit within the Municipality responsible for managing the procurement of Goods, Services and Construction for the Municipality;

(t) “Procurement Web Portal” means the public procurement website maintained and operated by the Government of the Province of Nova Scotia;

(u) “Requisition” means a request made to the Procurement Section:

(i) to purchase Goods, Services or Construction;

(ii) to create a Standing Offer for future purchases;

(iii) to make a draw from a Standing Offer; or

(iv) to obtain Goods from inventory that have already been purchased by the Municipality.

(v) “Roster” means a list of suppliers that the Municipality has determined satisfy the conditions for participation in that list, and that the Municipality intends to use more than once;

(w) “Services” means services required by the Municipality for the transaction of its business and affairs, excluding services provided by an employee of the Municipality through a Personal Services Contract;

(x) “Standing Offer” means a continuous offer from a pre-approved supplier to supply Goods, Services or Construction to the Municipality at specific prices for a specific period of time, when and if required by the Municipality;

(y) “Urgent Circumstance” means an unforeseeable situation of urgency.

## **GENERAL**

### **Application**

4. Subject to section 5, this Administrative Order shall apply to the procurement of Goods, Services and Construction by the Municipality.

### **Exemptions**

5. The expenditures listed in Appendix A are exempt from sections 12 through 39 of this Administrative Order.

### **Purchases by Agents**

6. (1) Agents are exempt from the application of this Administrative Order but are required to comply with the *Public Procurement Act* and the terms and conditions of the Agent's written contract with the Municipality when making purchases on behalf of the Municipality.

(2) No person or entity shall purchase Goods, Services or Construction on behalf of the Municipality unless expressly appointed as Agent in a written contract with the Municipality.

### **Calculation of Contract Amounts**

7. Contract amounts referenced in this Administrative Order shall be construed to be the sum of all costs for the duration of the contract plus all applicable net taxes, less all rebates.

### **Conflict**

8. Where there is a conflict with the application of this Administrative Order and the *Public Procurement Act* and the regulations thereunder, the Act and its regulations shall prevail.

## **RESPONSIBILITIES**

### **Chief Administrative Officer**

9. The CAO may authorize additional procedures and protocols not inconsistent with this Administrative Order and may delegate his or her authority under this Administrative Order to employees.

### **Departments**

10. Each Department shall be responsible for:

- (a) identifying and initiating procurement activities within their Department;
- (b) complying with this Administrative Order, the Procurement Manual and other procurement procedures established by the Procurement Section;
- (c) procurement of Low Value Purchases;
- (d) monitoring, managing and enforcing contracts requisitioned by their Department; and
- (e) ensuring the specific objectives of contracts requisitioned by their Department are achieved.

## **Procurement Section**

11. The Procurement Section shall be responsible for:

- (a) facilitating the procurement of Goods, Services and Construction according to this Administrative Order;
- (b) establishing, maintaining and publishing the Procurement Manual and other appropriate procurement procedures consistent with this *Administrative Order*, the *Public Procurement Act*, applicable trade agreements, and the Province of Nova Scotia's *Construction Contract Guidelines*;
- (c) providing advice to the Municipality regarding appropriate procurement strategies;
- (d) approving and maintaining the Municipality's standard terms for contracts for Goods, Services and Construction, in consultation with Legal Services;
- (e) collaborating with Departments to consider contract and risk management practices in the procurement cycle, and to combine requirements where possible to achieve efficiencies and reduce costs to the Municipality;
- (f) administering each call for bids and ensuring the fair evaluation of bids;
- (g) facilitating the negotiation, if required, of terms and conditions of contracts for Goods, Services and Construction;
- (h) administering contracts for Goods, Services and Construction; and
- (i) monitoring compliance with this Administrative Order and notifying Directors of non-compliance with it.

## **INITIATING PROCUREMENT**

### **Requisitions**

12. (1) Subject to subsections (2) and (3), when a Department requires Goods, Service or Construction it shall submit a Requisition to the Procurement Section.
- (2) A Requisition is not required for Low Value Purchases.
  - (3) A Department shall not submit a Requisition unless:
    - (a) the funds for the estimated purchase amount are clearly identified in a Council approved budget; or
    - (b) the CAO has authorized the Requisition in advance of a Council approved budget.



## **Authority to Make a Requisition**

13. (1) The authority to make a Requisition is as follows:

<b>CAO</b>	<b>Director</b>	<b>Manager</b>	<b>Employee</b>
Any amount	Any amount within the Director's approved budget	Per delegation of authority from Director	Per sub-delegation of authority from Manager

(2) The Procurement Section shall maintain a list of all delegations and sub-delegations of Requisition authority submitted by a Director or Manager pursuant to subsection (1).

## **Notice of Intended Procurement**

14. (1) Subject to subsection (2), the Procurement Section shall publish a Notice of Intended Procurement for each procurement opportunity, including requests for supplier prequalification, on the Procurement Web Portal.

(2) The Procurement Section is not required to publish a Notice of Intended Procurement for:

(a) Procurement opportunities valued at less than the thresholds set out in applicable trade agreements (unless the Procurement Manual includes any more stringent thresholds or requirements);

(b) Procurement opportunities offered to prequalified suppliers on a Roster; and

(c) Procurement opportunities where the procurement will be conducted using Alternative Procurement.

## **PROCUREMENT METHODS**

### **Competitive Procurement**

15. Subject to sections 16 to 20, Competitive Procurement shall be used for procurement of all Goods, Services and Construction.

### **Alternative Procurement**

16. (1) For procurement opportunities that do not exceed thresholds set out in applicable trade agreements, Alternative Procurement may be used, subject to any restrictions or requirements set out in the Procurement Manual.

(2) For procurement opportunities that exceed thresholds set out in applicable trade agreements, Alternative Procurement may be used, provided that it is not done for the purpose of avoiding competition among suppliers or in a manner that discriminates against suppliers of any jurisdiction covered by an applicable trade agreement, in the

following circumstances:

- (a) if:
  - (i) no bids were submitted or no suppliers requested participation;
  - (ii) no bids that conform to the essential requirements of the call for bids were submitted;
  - (iii) no suppliers satisfied the conditions for participation; or
  - (iv) the submitted bids were collusive,

provided that the requirements of the call for bids are not substantially modified;

(b) if the Goods, Services or Construction can be supplied only by a particular supplier and no reasonable alternative or substitute Goods, Services or Construction exist for any of the following reasons:

- (i) the requirement is for a work of art;
- (ii) the protection of patents, copyrights, or other exclusive rights;
- (iii) due to an absence of competition for technical reasons;
- (iv) the supply of Goods, Services or Construction is controlled by a supplier that is a statutory monopoly;
- (v) to ensure compatibility with existing Goods, or to maintain specialized Goods that must be maintained by the manufacturer of those Goods or its representative;
- (vi) work is to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
- (vii) work is to be performed on a leased building or related property, or portions thereof, that may be performed only by the lessor; or
- (viii) the procurement is for subscriptions to newspapers, magazines, or other periodicals;

(c) for additional deliveries by the original supplier of Goods, Services or Construction that were not included in the initial procurement, if a change of supplier for such additional Goods, Services or Construction:

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement; and

(ii) would cause significant inconvenience or substantial duplication of costs for the Municipality;

(d) if strictly necessary, and for reasons of urgency brought about by events unforeseeable by the Municipality, the Goods, Services or Construction could not be obtained in time using Competitive Procurement;

(e) for Goods purchased on a commodity market;

(f) if the Municipality procures a prototype or a first Good or Service that is developed in the course of, and for, a particular contract for research, experiment, study, or original development. Original development of a first Good or Service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the Good or Service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs;

(g) for purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular suppliers;

(h) if a contract is awarded to a winner of a design contest provided that:

(i) the contest has been organized in a manner that is consistent with the principles of applicable trade agreements, in particular relating to the publication of a Notice of Intended Procurement; and

(ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner; or

(i) if Goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through Competitive Procurement could reasonably be expected to compromise government confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.

### **Supplier Prequalification & Rosters**

17. (1) The Procurement Section may limit bids to prequalified suppliers, either through the use of Rosters or through multi-stage procurement opportunities.

(2) The Procurement Section shall allow all prequalified suppliers to participate in a particular procurement, unless the Procurement Section states in the request for

supplier prequalification any limitation on the number of suppliers that will be permitted to submit bids and the criteria for selecting the limited number of suppliers.

(3) A request for supplier prequalification inviting interested suppliers to apply for inclusion on a Roster shall be published in a Notice of Intended Procurement at least every 3 years on the Procurement Web Portal and shall include:

- (a) the criteria that will be used to prequalify suppliers, unless those requirements are included in the qualification documentation;
- (b) a statement that only the suppliers on the Roster will receive further notices of procurement opportunities covered by the Roster; and
- (c) the period of validity of the Roster.

### **Buying Groups**

18. (1) Subject to subsections (2) and (3), the Procurement Section may establish or take part in Buying Groups, including those formed by the Province of Nova Scotia, the Government of Canada or any other public sector entity or private sector entity.

(2) The Procurement Section shall publish a notice of the Municipality's participation in a Buying Group at least annually on the Procurement Web Portal. Such notice shall direct potential suppliers to the Buying Group tender notices website if it is different from the Procurement Web Portal.

(3) Any agreements required to formalize the Municipality's participation in a Buying Group shall be approved and signed by the Manager of Procurement.

### **Standing Offers**

19. (1) The Procurement Section may establish Standing Offers using Competitive Procurement, Alternative Procurement or through participation in a Buying Group.

(2) In issuing a call for a Standing Offer, the Procurement Section shall indicate how subsequent purchases will be made from a supplier under a Standing Offer.

(3) The Manager of Procurement may negotiate and make modifications to a Standing Offer that they determine to be in the best interests of the Municipality, such as adding or deleting items or extending the duration of a Standing Offer.

(4) For the purposes of contract award, the total estimated value of the Standing Offer shall be used to determine the appropriate approval authority.

(5) Individual draws from a Standing Offer shall be approved by a Director.

(6) A Director may delegate their authority under subsection (5), and a list of such delegations shall be provided to and maintained by the Procurement Section.

(7) Where the Procurement Section has established a Standing Offer for Goods, Services or Construction, it shall be mandatory to use the Standing Offer for the purchase of such Goods, Services or Construction.

**Low Value Purchases**

20. If a Standing Offer is not applicable, Departments may make Low Value Purchases of Goods, Services and Construction by employing one of the acceptable procurement methods set out in the following table:

<b>Amount</b>	<b>Acceptable Procurement Methods</b>
< \$1,000	<ul style="list-style-type: none"><li>• Petty cash or Corporate Purchasing Card</li></ul>
\$1,000 to \$10,000	<ul style="list-style-type: none"><li>• Request two or more quotes</li><li>• Competitive Procurement</li><li>• Alternative Procurement</li></ul>

**SOCIAL PROCUREMENT**

**Social Procurement**

21. (1) When making Low Value Purchases or when conducting invitational calls for bids, staff will, where feasible, invite at least one diverse or social enterprise supplier to submit a bid.

(2) In each call for bids the Procurement Section and the Department responsible for the purchase shall consider including evaluation criteria and/or contract requirements that aim to achieve social value or social impacts such as:

(a) supplier diversity (i.e. opportunities for diverse suppliers including suppliers owned, operated by, or employing African Nova Scotians, Indigenous peoples, people with disabilities and/or other traditionally underrepresented groups);

(b) workforce development (i.e. offering apprenticeships, skills training and/or other developmental support to employees, subcontractors and/or volunteers);

(c) fair wage/living wage;

(d) community benefits;

(e) environmental benefits;

(f) socially responsible production; and

(g) advanced health and safety practices.

## **EVALUATING BIDS AND AWARDING CONTRACTS**

### **Openings**

22. (1) Bids will be accepted in accordance with the closing time and date stipulated in the call for bids.

(2) The Manager of Procurement may conduct public openings at their discretion.

### **Bids to be in Writing**

23. (1) Subject to subsection (2) the Municipality shall only consider bids that are submitted in writing.

(2) The Municipality may consider verbal bids for Low Value Purchases

### **Evaluation Criteria**

24. (1) Bids will be evaluated in accordance with the evaluation criteria published in the call for bids.

(2) The Procurement Section shall ensure that each call for bids includes appropriate evaluation criteria to ensure the Municipality achieves Best Value.

### **Fairness Monitors**

25. The Municipality may engage the services of a fairness monitor to monitor and report on the fairness of a particular procurement.

### **Pre-requisites to Awarding of Contracts**

26. (1) The following pre-requisites shall apply to the approval of any contract award:

(a) repealed;

(aa) the proposed expenditure shall be

(i) budgeted and funded, or

(ii) budgeted but not yet funded, providing the expenditure is capital expenditure and the Chief Financial Officer is satisfied that the funding will become available;

(b) the Goods, Services or Construction being purchased shall be consistent with the approved program deliverables; and

(c) the purchase shall be compliant with this Administrative Order, the Procurement Manual, and any other applicable policies, legislation and trade agreements.

(2) Any award requiring the approval of the CAO or Council requires a recommendation report and any such report shall:

- (a) be prepared by the Department that initiated the procurement;
- (b) be reviewed by the Procurement Section to ensure that the procurement has been conducted in accordance with applicable policies, legislation, trade agreements and ethical business practices;
- (c) provide details of the recommended purchase and describe the method of procurement used; and
- (d) be signed by the appropriate Director and forwarded to the CAO or Council for approval.

**Determination of Best Value**

27. (1) Unless the Municipality determines that it is not in the public interest to award a contract, the Municipality shall award the contract to the supplier whose bid the Municipality has determined represents Best Value.

(2) If the Municipality receives a bid from a supplier with a price that is abnormally lower than the prices in other submitted bids, the Procurement Section may verify with the supplier that it satisfies the conditions for participation and is capable of fulfilling the terms of the contract.

(3) In the case of a tie bid, the Manager of Procurement may request the tied suppliers to submit a best and final offer, and if a tie bid still occurs, Best Value may be determined on the basis of a coin flip.

**Award Authority**

28. (1) The approval authority limits for the awarding of contracts are as follows:

<b>Method</b>	<b>Manager</b>	<b>Director</b>	<b>CAO</b>	<b>Council</b>
Low Value Purchase	\$10,000	\$10,000	\$10,000	\$10,000
Competitive Procurement	Per delegation of authority from Director [not to exceed \$100,000]	\$100,000	\$1,250,000	Any amount
Competitive Procurement – Street, sidewalk, & active transportation Construction projects	Per delegation of authority from Director	\$100,000	Any amount	Any amount
Competitive Procurement – Establishment of Standing Offer	\$5,000,000 (Manager of Procurement only)	\$5,000,000 (Director of Finance only)	\$5,000,000	Any Amount
Alternative Procurement	Per delegation of authority from Director	\$100,000	\$1,250,000	Any amount
Alternative Procurement – Urgent Circumstances per 16(1)(d)	Per delegation of authority from Director	\$100,000	Any amount	Any amount

(2) Notwithstanding the approval authority limits listed in subsection (1):

(a) a contract award must be forwarded to Council for approval where there is a legislative requirement for Council to approve the award, or where the CAO is of the opinion that the award is a matter best dealt with by Council;

(b) a contract award must be reviewed by Legal Services and forwarded to the CAO or Council for approval where the proposed supplier is not the lowest-priced or highest-scoring supplier;



- (c) the CAO may delegate their authority to a Director if:
- (i) prior to Requisition, the Director prepares a report for the CAO recommending the purchase and receives written approval from the CAO to make the purchase;
  - (ii) the award is the result of Competitive Procurement;
  - (iii) the value of the contract to be awarded does not exceed 110% of the estimated value of the contract as reported to and approved by the CAO in accordance with sub-clause (i); and
  - (iv) the proposed supplier is the lowest-priced or highest-scoring supplier.

**Signing Authority**

29. (1) The following pre-requisites apply to the execution of any procurement contract on behalf of the Municipality:

(a) the award of the contract must be approved in accordance with the authorities set out in section 28 of this Administrative Order; and

(b) for all contracts (except Low Value Purchases), the contract terms and conditions must be reviewed by Legal Services or be in the form of a template approved by Legal Services.

(2) The authority to execute procurement contracts on behalf of the Municipality is as follows:

<b>Position</b>	<b>Signing Authority</b>
CAO	Any contract
Manager of Procurement	Any contract where the supplier is bound to the Municipality's standard terms & conditions
Director	Any contract where the award has been approved by the Director or by an employee in the Director's Department.
Manager	Per delegation of authority from his or her Director

(3) The CAO may set further conditions or procedures and make further delegations regarding signing authority provided that such conditions, procedures and delegations are not inconsistent with this Administrative Order.

(4) A Director may delegate to one or more Managers in their Department, the authority to execute contracts provided that:

(a) the Procurement Section is given a list of such delegations showing the delegate's name and amount that they have been delegated; and

(b) the amount of the delegation is no greater than the Director's award authority pursuant to section 28.

### **Publishing of Bid Results**

30. In each instance where the Procurement Section has published a Notice of Intended Procurement, the Procurement Section shall publish a notice of contract award on the Procurement Web Portal no later than 72 days after the date the contract was awarded. The information shall remain readily accessible for a reasonable period of time. The notice of award shall include at least the following:

(a) a description of the Goods, Services or Construction procured;

(b) the name and address of the Municipality;

(c) the name and address of the successful supplier;

(d) the value of the successful bid;

(e) the date of award; and

(f) if Alternative Procurement was used, the conditions and circumstances described in section 16, and the corresponding trade agreement reference that justified its use.

### **Reporting of Awards**

31. (1) The Manager of Procurement shall provide a report to the Council members, at least quarterly, containing a list of:

(a) all awards approved by the CAO;

(b) all awards exceeding \$100,000; and

(c) all awards exceeding \$50,000 resulting from Alternative Procurement.

(2) The report shall show the name of the contract, the name of the successful supplier, the amount of the contract, and the budgetary estimate.

## CONTRACT MANAGEMENT

### Contract Amendments

32. (1) All contract amendments are subject to the identification and availability of sufficient funds in the Council approved business planning and budget process.

(2) A contract amendment that increases the price of a contract shall not be made without a corresponding change in contract deliverables or scope of work, unless it is otherwise in the best interest of the Municipality to agree to the contract amendment.

(3) A contract amendment for the delivery of Goods, Services or Construction that were not included in the initial procurement shall:

- (a) meet the conditions for Alternative Procurement; or
- (b) be in the best interests of the Municipality.

(4) Contract amendments shall be tracked and significant variances substantiated.

(5) Approvals for contract amendments and copies of all contract amendments shall be documented in writing and submitted to the Procurement Section. Where practical, such submission shall be done prior to the work being undertaken.

(6) Approval formats for contract amendments will be as approved by the Manager of Procurement.

(7) The approval and signing authority limits for cumulative contract amendments are as follows:

<b>Position</b>	<b>Approval Authority</b>
Director (or his or her delegate)	(a) \$15,000; or (b) a 15% increase to the originally approved contract amount, whichever is greater.
CAO	(a) \$20,000 or (b) a 20% increase to the originally approved contract amount, whichever is greater.
CAO - Urgent Circumstances	Notwithstanding the above, in Urgent Circumstances the CAO may approve and sign a contract amendment for any amount, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit & Finance Standing Committee.
Council	Any amount

### **Contract Options**

33. (1) The exercising of any option under a contract is subject to the identification and availability of sufficient funds approved by Council through the business planning and budget process.

(2) Subject to alternate direction from Council at the time of contract award, the authority to exercise any contractually defined option, including an option to extend a contract, is as follows:

<b>Option Authority</b>	<b>Total Cost of Exercising Option</b>
Manager	\$10,000
Director	\$500,000
CAO	\$1,250,000
Council	Any Amount

### **Contract Assignments**

34. The authority to consent to a request by a supplier to assign a contract to another person or entity is as follows:

<b>Assignment Authority</b>	<b>Total Value of Contract</b>
Manager of Procurement	\$500,000
CAO	\$1,250,000
Council	Any Amount

### **Contract Terminations**

35. (1) The failure of a supplier to fulfill its obligations under any contract with the Municipality shall be documented by the Department responsible for the contract.

(2) Legal Services and the Procurement Section shall be consulted prior to the termination of any contract by the Municipality.

(3) The authority to approve the termination of a contract due to the default by the supplier of its obligations, or otherwise is as follows:

<b>Termination Authority</b>	<b>Total Value of Contract</b>
Director	\$500,000
CAO	\$1,250,000
Council	Any Amount

## **SUPPLIER PERFORMANCE**

### **Performance Files**

36. (1) Departments shall complete a supplier evaluation scorecard at the completion of each contract or as otherwise directed by the Manager of Procurement.

(2) The Procurement Section shall maintain supplier performance files that contain information supplied by Department and Procurement Section staff, including supplier evaluation scorecards.

(3) Supplier performance may be evaluated based on factors including safety, project management, scheduling and overall quality of work.

### **Disqualification & Suspension (Bid-Barring)**

37. (1) Upon reasonable notice in writing to the supplier involved, and after a reasonable opportunity for response, the Municipality may formally disqualify or suspend a supplier from bidding on any Municipal procurement opportunities for a period not exceeding 5 years, on grounds including:

- (a) Bankruptcy or insolvency;
- (b) False declarations;
- (c) Significant or persistent deficiencies in performance of any substantive requirement or obligation under a prior contract or contracts;
- (d) Final judgments in respect of serious crimes or other serious offences;
- (e) Professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the supplier; or
- (f) Failure to pay taxes.

(2) A written decision shall be issued to the supplier disqualified or suspended setting out the reasons for its disqualification or suspension.

(3) Disqualification or suspension of a supplier shall be approved by the Manager of Procurement.

(4) Disqualification or suspension applies to the supplier and its owner(s) and principal(s).

### **Debriefings**

38. (1) A supplier may request a debriefing after a contract is awarded if the request is made in writing to the Manager of Procurement within 10 business days of the award

notice being posted on the Procurement Web Portal.

(2) At a debriefing, suppliers can find out how their bid scored against published criteria, obtain comments from the evaluation team on their bid, and gather information on how future submissions may be improved.

(3) At a debriefing, bids shall not be compared to each other, nor shall information on other bids be provided.

### **Bid Challenges & Dispute Resolution**

39. (1) Suppliers are encouraged to raise any concerns with the Procurement Section about a particular procurement or procurement process prior to submitting a formal complaint or commencing legal proceedings.

(2) Notwithstanding any other recourse available to a supplier, a supplier may submit a formal complaint to the Province of Nova Scotia's Chief Procurement Officer in accordance with the Province of Nova Scotia's Vendor Complaint Procedure.

## **TRANSITION AND REPEAL**

### **Transition**

40. A reference in an enactment to any previous Procurement Policy of the Municipality, is to be read as including a reference to the provisions of this Administrative Order relating to the same subject-matter.

### **Repeal**

41. Administrative Order 2016-005-ADM, the *Halifax Regional Municipality Procurement Administrative Order*, adopted by Council on February 7, 2017 and all amendments thereto is repealed.

Done and passed in Council this 7<sup>th</sup> day of July, 2020.

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Mayor Mike Savage

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Sherryl Murphy, Acting Municipal Clerk

I, Sherryl Murphy, Acting Municipal Clerk of Halifax Regional Municipality, hereby certify that the above-noted Administrative Order was passed at a meeting of Halifax Regional Council held on July 7, 2020.

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Sherryl Murphy, Acting Municipal Clerk

Notice of Motion:

June 23, 2020

Approval:

July 7, 2020

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Amendment #1

Amended Subsection 12(3), Added clause 26(1)(aa)

Repealed 26(1a)

Notice of Motion:

February 23, 2021

Approval:

March 9, 2021

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## APPENDIX A – EXEMPTIONS

### List of Exemptions

1. The following expenditures shall be exempt from the application of section 12 through 39 of this Administrative Order:

- a) Expenditures that, by their nature, are not expenditures for the acquisition of Goods, Services or Construction; and
- b) Expenditures that are expressly exempt from the public procurement requirements of applicable trade agreements including:
  - (i) public employment contracts;
  - (ii) non-legally binding agreements;
  - (iii) any form of assistance, such as grants, loans, equity infusions, guarantees, and fiscal incentives;
  - (iv) a contract awarded under a cooperation agreement with an international cooperation organization if the procurement is financed, in whole or in part, by the organization;
  - (v) acquisition or rental of land, existing buildings, or other immovable property, or the rights thereon;
  - (vi) measures necessary to protect intellectual property, provided that the measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination where the same conditions prevail or are a disguised restriction on trade;
  - (vii) procurement or acquisition of:
    - (i) fiscal agency or depository services;
    - (ii) liquidation and management services for regulated financial institutions; or
    - (iii) services related to the sale, redemption, and distribution of public debt, including loans and government bonds, notes, and other securities;
  - (viii) procurement of:
    - (i) financial services respecting the management of government financial assets and liabilities (i.e. treasury operations), including

ancillary advisory and information services, whether or not delivered by a financial institution;

(ii) health services or social services;

(iii) services that may, under applicable law, only be provided by licensed lawyers or notaries; or

(iv) services of expert witnesses or factual witnesses used in court or legal proceedings; or

(ix) procurement of Goods, Services or Construction:

(i) financed primarily from donations that require the procurement to be conducted in a manner inconsistent with applicable trade agreements;

(ii) on behalf of a person or entity not subject to applicable trade agreements;

(iii) between the Municipality and enterprises that are controlled by or affiliated with the Municipality, or between the Municipality and another government body or enterprise or their affiliates;

(iv) by non-governmental bodies that exercise governmental authority delegated to them;

(v) from philanthropic institutions, non-profit organizations, prison labour, or natural persons with disabilities;

(vi) under a commercial agreement when operating a sporting or convention facility;

(vii) conducted for the specific purpose of providing international assistance, including development aid, provided that the Municipality does not discriminate on the basis of origin or location within Canada of Goods, Services, Construction or suppliers; or

(x) conducted:

(i) under the particular procedure or condition of an international agreement relating to the stationing of troops or relating to the joint implementation by the signatory countries of a project; or

(ii) under the particular procedure or condition of an international organization, or funded by international grants, loans, or other assistance.

**Approval Authorities**

2. Unless stated otherwise, addressed in another policy, or delegated by the CAO, the approval and execution of expenditures that are exempt from the application of this Administrative Order are subject to the following authority limits:

<b>Position</b>	<b>Authority Limit</b>
Manager	\$25,000
Director	\$100,000
CAO	Any Amount

3. Notwithstanding section 2, the procurement of external legal services must also be authorized by the Municipal Solicitor.