

Municipality of Lakeland Ridges

Policy P – 001

Procurement Policy (amended)

1. **AUTHORITY.** The Council of the Municipality of Lakeland Ridges, under the authority vested in it by *Section 49 of the Local Governance Act, 2017, c. 18 and amendments thereto*, enacts Policy P – 001 to address procurement.
2. **APPLICABLE LEGISLATION.** The following Legislation is applicable to this Procurement Policy:
 - a. Procurement Act (S.N.B. 2012, C20) and Regulation 2014-93;
 - b. Crown Construction Contract Act and Regulations;
 - c. Agreement on International Trade
3. **DEFINITIONS**
 - a. “Construction” refers to construction, reconstruction, demolition, repair, maintenance, or renovation of a building, structure, road, or any other civil engineering or architectural work. It includes all elements of construction, including buy not limited to site preparation, excavation, drilling, the supply of products and materials, the supply of equipment and machinery related to the work, and the installation and repair of fixtures. Construction does not include professional consulting services related to the construction contract unless such services are included in the procurement.
 - b. “Department Heads” include the senior manager of the following departments: Administration and Fire.
 - c. “Goods” refers to raw materials, products, supplies, equipment and other physical objects of any kind or description, unless they are procured as part of a general construction contract.
 - d. “Procurement” is the process that leads to an agreement for the Municipality of Lakeland Ridges to purchase, rent, or lease goods and services from a third party.

4. POLICY STATEMENTS

- a. The Municipality of Lakeland Ridges will employ fair and transparent purchasing activities that demonstrate its commitment to providing services in an effective, trustworthy, and financially responsible manner that is absent of any actual or potential conflict of interest.
- b. Cooperative purchasing with other municipalities of Departments of the Provincial Government shall be actively encouraged and practiced when assessed as the most cost-effective method of procurement.
- c. Every effort will be made to source local or New Brunswick suppliers and vendors while still ensuring the most cost-effective method of procurement.

5. SPENDING AUTHORITY

- a. Council must approve any unbudgeted purchase equal to or greater than \$2,500, where an unbudgeted purchase is a purchase that was not approved in a current Operating or Capital budget.
- b. Council must approve all budgeted purchases equal to or greater than \$10,000. Before taking any action to make a purchase of this value, the CAO must make a presentation to Council prior that outlines the following:
 - i. The name of the vendor or service provider, if known;
 - ii. A detailed description of the goods and services to be provided;
 - iii. The estimated total cost of the goods and services and source of the estimate;
 - iv. The approved budget for goods and services;
 - v. The dates the goods and services are to be provided;
 - vi. The reason for the request; and
 - vii. The method of procurement to be used.

- c. The CAO must approve any budgeted purchase equal to or greater than \$5,000 made by the Fire Chief.
Amended Dec.8/25 to increase the amount from \$2,500 to \$5,000. See appendix A.
- d. The CAO must approve any unbudgeted purchase equal to or greater than \$1,000 made by the Fire Chief.
- e. ***Amended Dec. 8/25 to increase the amount from \$500 to \$1,000. See appendix A.***
- f. All promotional items (pens, hats, shirts, etc) with either Municipal or Fire Department logo, must be approved by the CAO.
- g. The Fire Chiefs will each have a VISA with a \$1,500 credit limit. These should only be used for emergency situations or to purchase “equipment specials” that are offered at conferences.
- h. The CAO must approve any unbudgeted purchase equal to or greater than \$250 made by the Treasurer.

6. THRESHOLDS AND ASSOCIATED PURCHASING METHODS.

- a. The thresholds in Table 1 below shall determine the purchasing method to follow.
- b. Purchases may not divide, fragment, or separate a set of related purchases for the purpose of bypassing or circumventing the thresholds (that is, purchases shall not be broken down into small dollar values to avoid higher-level authorization).
- c. Quotes must be documented in writing via letter, fax, or email. The CAO, Department Head or designate, will prepare a Request for Quotation in writing to each identified vendor.
- d. Department Heads must obtain the approval of the CAO to make a purchase that would result in the surpassing of the department’s total annual budget.
- e. All threshold amounts in this policy exclude taxes, duties, shipping or other incidental costs.

TABLE 1 – PURCHASING THRESHOLDS AND METHODS

METHOD	GOODS	SERVICES	CONSTRUCTION
No quote required, may use preferred vendor	\$0 - \$2499	\$0 - \$2499	\$0 - \$4999
2 written quotes	\$2500 - \$5000	\$2500 - \$5000	\$5000 - \$10,000
3 written quotes	\$5001 - \$25,000	\$5001 - \$25,000	\$10,001 - \$25,000
Request for quotation (RFQ) – Invitation to Bid – sealed bids	\$25,001-\$100,000	\$25,001-\$50,000	\$25,001-\$100,000
Public Tender or Request for Proposal (RFP) with Public Advertising for 14 calendar days	\$100,000	\$50,001	\$100,000

7. TENDER OPENING. The following rules shall apply to Tender Openings.

- a. The opening of any bid submission shall be done at the location, date, and time as specified in the solicitation document (RFQ, RFP, or Tender).
- b. If the competitive process is based on price, only the name of compliant bidders and their total bid price shall be disclosed. If the competitive process is based on a scoring system and evaluation (for example, for an RFP), only the name of the bidders shall be released.
- c. All bid submissions shall be verified for accuracy and must be compliant with the mandatory requirements from the solicitation documents and shall be rejected if they do not comply.

8. TENDER EVALUATION. The following rules shall apply to Tender Evaluation.

- a. If a scoring system is not used, purchasers will evaluate bids based on price alone.
- b. If a scoring system is used, purchasers will be evaluated by the Department Head and others as designated by the Department, and then approved by the CAO.

- c. Following the evaluation, bidders shall be officially notified of the results of the evaluation.

9. PURCHASE ORDERS.

- a. All purchases of goods and services with a value of \$2,500 or greater shall be made by an approved Purchase Order.
- b. Purchase Orders have four (4) main purposes.
 - i. To inform the Finance Department (Treasurer) of purchases of a significant amount to assist with budget tracking and monthly accruals.
 - ii. To inform the CAO and Department Heads of purchases for invoice authorization.
 - iii. To ensure quoted amounts at the time of order agree with the amount invoiced.
 - iv. To provide documentation to vendors that purchases are authorized by the Municipality.
- c. Purchasers must provide a copy of the approved Purchase Order to the Finance Department (Treasurer) before submitting the approved Purchase Order to the vendor.
- d. The CAO has the authority to authorize all invoices.

10. ASSET SALES. The sale of any asset with an estimated value of \$1,000 or greater and \$10,000 or less must be approved by the CAO and all proceeds must be returned to the General Operating account. The sale of any asset with an estimated value greater than \$10,000 must be approved by the Council and all proceeds must be returned to the General Operating account.

11. FUEL CARDS. Fuel cards are provided by the Municipality to the Debec Fire Department for use for Fire Rescue vehicles only. Their use is restricted to the provision of fuel only. The vehicle operator is responsible to ensure that credit slips are maintained and submitted to the Finance Department (Treasurer) for reconciliation to the appropriate monthly statement.

12. EXEMPTIONS.

- a. As per the *Procurement Act*, services from the following may be exempted from Section 6 of this policy: Engineers, Architects, Land Surveyors, Accountants, Lawyers, Medical Doctors, Dentists, Nurses, Pharmacists, Veterinarians, Notaries, and Psychologists.
- b. As per the *Procurement Act*, products or services may be exempted from Section 5 of this policy if any of the following are true:
 - i. They will be used to address an emergency or an urgent situation.
 - ii. There is an absence of viable alternatives or substitutes for technical reasons such as licensing or contractual obligations.
 - iii. The products or services can be supplied only by a particular vendor.
 - iv. The purchases relate to (a) fiscal management of investments, assets, and liabilities, (b) advertising and public relations services, or (c) cultural or artistic products and services.
- c. At the discretion of the CAO or by the direction of Council, any exempt services may go out for a competitive bidding process.

13. CONTROL PROCEDURES.

- a. All purchases made in the name of, or on behalf of, Lakeland Ridges must be provided for within respective municipal budgets, subject to the approval of staff as described in Section 8.
- b. The CAO is responsible for the purchasing controls in accordance with the current policy.
- c. The CAO may review and verify any purchase made by or for the Municipality, on behalf of the Municipality, to ensure that all applicable purchasing procedures were followed.
- d. All Municipal employees must always seek to optimize the price-to-value ratio of a purchase.

14. EXCLUSION FROM PROCUREMENT PROCESS. Notwithstanding the foregoing, any supplier of products or services who fails to comply with any municipal by-law, regulation, or policy will be excluded from the purchasing process under this policy. The exclusion will apply if the non-compliance persists or if compliance procedures are initiated against the supplier.

15. EFFECTIVE DATE.

August 31, 2023

16. SIGNATURES.

*Under the authority vested in me by **Order in Council 2023-174** dated July 25, 2023 and signed by the Lieutenant-Governor of New Brunswick, this is to certify that on the 31 day of August, 2023, I, Michael Blaney, the Supervisor of the Municipality of Lakeland Ridges, resolved that **Policy P – 001 Procurement Policy** be adopted.*

Adopted this 31 day of August, 2023 by the Supervisor of the Municipality of Lakeland Ridges and executed this 31 day of August, 2023 by the clerk of the Municipality of Lakeland Ridges under the corporate seal of said local government.

Supervisor


Michael Blaney

CAO/CLERK


Susan Patterson

SEAL



APPENDIX A

Amended on December 8, 2025 during regular council meeting.

MOTION: It was moved by Deputy Mayor Stairs and seconded by Councillor Grant to amend the Procurement Policy to increase the amount in 5. C) from \$2,500 to \$5,000 and the amount in 5. D) from \$500 to \$1,000.

All in favor.

Motion carried #119-2025