



# Town of Carberry & Municipality of North Cypress-Langford

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<b>Title: Tendering and Procurement</b>	<b>Date Approved: April 28, 2025</b>
<b>Policy #: JS 01-2025</b>	<b>Council Resolution: 11-25</b>
<b>Department: Joint Services</b>	<b>Revision:</b>
<b>Rescinds: JS 01-2024</b>	<b>Procedure #:</b>

## Purpose:

The purpose of this policy is to establish guidelines for the purchase of goods and services, for construction projects undertaken by the Town of Carberry & Municipality of North Cypress-Langford, and for the sale of municipal capital assets. It will ensure compliance with *The Municipal Act* (Manitoba) and other relevant procurement legislation, municipal bylaws, and resolutions.

## Definitions:

**Bid:** A competitive bid received from a supplier in response to a verbal or written Request for Quotation, a Request for Proposal, or a Formal Tender.

**Bid Opportunity:** A publicly advertised invitation for suppliers to submit bids for the provision of goods or services through a Request for Quotations, a Request for Proposals, or a Formal Tender.

**Bonding:** Requirement for various types of security such as bid bond, performance bond, labour and materials bond, or other financial security that may be required as a means of ensuring the successful bidder executes the contract providing financial security for the Town of Carberry & Municipality of North Cypress-Langford.

**Evaluation Criteria:** Specific and measurable pre-determined matrix created to evaluate bid submissions.

**Goods:** Physical items, objects, wares, merchandise, or property for which a demand exists (e.g. machinery, gravel, office supplies, computer hardware, land).

**MERX:** An electronic tendering website (<http://www.merx.com>). The Town of Carberry and Municipality of North Cypress-Langford will advertise on the MERX website in accordance with the Canadian Free Trade Agreement (CFTA) Article 504-3(b) and the New West Partnership Trade Agreement (NWPTA) Article 14(c).

**Bidder Pre-Qualification:** The screening of potential bidders on factors such as, but not limited to, experience, ability, past performance, and financial capability to develop a list of qualified bidders who will receive the bid solicitation.

**Procurement:** The acquisition of goods, services, or construction, including leases.

**Reference Documents:** Any specifications, guidelines, policies, drawings, or standards, or any other documentation that may be appended to or referenced in any Bid Opportunity.

**Services:** All types of services, including construction (e.g. consulting, engineering and design, accounting and auditing, legal, maintenance, operation and repair of buildings, machines, or equipment).

**Sole Source Purchase:** A purchase where there is only one vendor capable of providing an item or service in a feasible manner making it impractical to obtain competitive bids.

**Tender Document:** all types of competitive bid documents, including a Request for Quotation, Request for Proposal, or a Formal Tender

**Preamble:**

The following principles will guide the procurement practices of the Town of Carberry & Municipality of North Cypress-Langford and the process for the sale of municipal capital assets.

- An open, fair, and consistent process for the procurement of all goods, services and construction projects that will ensure the best value for dollar spent.
- Procurement processes that encourage competitive bidding for the supply of all goods and services.
- An open, fair, and consistent process for the sale of surplus capital assets that will ensure the best value for capital assets sold.
- Accountability to the Town of Carberry & Municipality of North Cypress-Langford for the procurement of goods and services and the disposal of surplus capital assets.

## Policy:

1. Spending Authority: the value of the goods and services is the total financial commitment resulting from the procurement, including any premiums, fees, commissions, interest, duty, freight, and applicable taxes.

2. The head of a department or CAO may, in the ordinary course of administering the affairs of the Town of Carberry & Municipality of North Cypress-Langford and keeping in accordance with the joint services agreement, purchase or contract for the purchase of goods and services, subject to the following limitations:

- (a) Under \$500.00 – picked up with the invoice by the department, with department manager or foreman approval, with a P.O. The department is expected to be responsible in its procurement practices, (i.e., Obtain written quotes from other suppliers where practical from a time and dollar value perspective).
- (b) From \$500.00 and under \$3,000.00 – must solicit a minimum of 2 (two) written quotes.
- (c) From \$3,000.00 to \$10,000.00 – must have 3 (three) written quotes.
- (d) From \$10,000.00 to \$49,999.00 – must be tendered and go through a Tender Document.
- (e) \$50,000.00 and above – May go through a request for proposal “RFP” process. The Tender Document shall be posted on MERX as well as the Municipal website.
- (f) For items “d” and “e” above the expenditure must be approved by resolution of Council of the Town of Carberry & Municipality of North Cypress-Langford.
- (g) For contracts that will be above the respective trade treaty amounts (\$75,000.00 for goods/services and \$200,000.00 for construction), the project must go through the RFP process, and the documents must be posted on MERX.
- (g) In cases where prices are equal or it is difficult to determine the best value or bid, and the total value of the goods or services is below the threshold levels in the applicable trade treaties, preference will be given to suppliers located in the Town of Carberry & Municipality of North Cypress-Langford.
- (h) The CAO shall be responsible for establishing purchasing procedures within the above-noted guidelines.

3. The Town of Carberry & Municipality of North Cypress-Langford is not required to accept a bid if Council decides not to proceed with the purchase, if all bids are too high, or if none meet the needs of the Town of Carberry & Municipality of North Cypress-Langford. The Town of Carberry & Municipality of North Cypress-Langford retains the right to reject the lowest or any bid.

4. Where purchasing a used vehicle, equipment, furniture, or otherwise, attempts will be made to find comparable items for pricing comparison.

#### **5. Tender Administration:**

(a) Bids received in response to a Tender Document may be opened publicly; on the date, time and place advertised.

(b) Bid submissions received after the advertised deadline, are to be returned unopened to the party who submitted the Bid.

(c) Tenders and RFPs shall be awarded using the Evaluation Process as specified in the Tender Document. If the value of the goods and services being purchased is below the threshold values in the trade treaties and where it is difficult to determine the highest scoring bid, preference will be given to suppliers located in the Town of Carberry & Municipality of North Cypress-Langford.

(d) With the awarding of the Tender or RFP, the Town of Carberry & Municipality of North Cypress-Langford shall enter into an Agreement with the successful bidder, signed by the applicable signing authorities. Agreements for services exceeding 2 (two) years and for purchases requiring Council approval in accordance with Section 2(f) shall be adopted by resolution of Council in accordance with The Municipal Act. The form of the contract will be determined by the Town of Carberry & Municipality of North Cypress-Langford.

(e) The responsible department will monitor the vendor, or in some cases a Project Manager will be hired to represent the Town of Carberry & Municipality of North Cypress-Langford's interests.

(f) The CAO shall be responsible for establishing procedures for the Tender Documents and competitive bid process.

#### **6. Award of Contracts**

(a) No elected official or employee of the Town of Carberry & Municipality of North Cypress-Langford shall knowingly cause or permit anything to be done or

communicated to anyone that could cause any potential bidder to have an unfair advantage or disadvantage in obtaining a contract for the supply of goods, services, or construction to the Town of Carberry & Municipality of North Cypress-Langford.

- (b) Tender Documents and the resulting Bids will be awarded using the evaluation process (if any) that is specified in the Tender Documents. Generally, the Town of Carberry & Municipality of North Cypress-Langford will award contracts to the bid that provides the best combination of value to the local taxpayers in terms of combined total cost and quality of the good or service.
- (c) Bids will be reviewed by a minimum of two employees.
- (d) The Town of Carberry & Municipality of North Cypress-Langford may enter a contract with the successful bidder.

## 6. Performance Bonds

### (a) Requirement for Performance Bonds

- i. The Town of Carberry & Municipality of North Cypress-Langford reserves the right to require performance bonds or other financial securities for any contract at its discretion.
- ii. Performance bonds may be required for all contracts exceeding \$25,000.00.

### (b) Criteria for Requiring Performance Bonds

Performance bonds may be required based on, but not limited to, the following factors:

- i. The complexity or risk associated with the contract.
- ii. The financial stability and past performance of the contractor.
- iii. The critical nature of the service or project to municipal operations.
- iv. The need to ensure timely and satisfactory completion of the contract.

### (c) Bond Amount and Terms

- i. The bond amount will generally be set as a percentage of the total contract value, typically ranging from 10% to 50%, at the discretion of the Town of Carberry & Municipality of North Cypress-Langford.
- ii. Bonds must be issued by a recognized surety company licensed in the Province of Manitoba.
- iii. The Town of Carberry & Municipality of North Cypress-Langford retains the right to withhold payments or impose penalties if the contractor fails to meet the contractual obligations outlined in the agreement.

## **7. Past Performance as an Evaluation Criterion**

### **(a) Incorporation into Evaluation Matrix**

- i. The Town of Carberry & Municipality of North Cypress-Langford will consider past performance as a weighted criterion in the evaluation matrix for procurement decisions, particularly for contracts involving significant financial, operational, or strategic impact.
- ii. The specific weight assigned to past performance will be determined on a case-by-case basis and disclosed in the Tender Documents.

### **(b) Basis for Evaluation**

- i. Past performance may be assessed using of previous engagements with the Town of Carberry & Municipality of North Cypress-Langford or other municipalities, government entities, or private sector clients where applicable.
- ii. Evidence of past performance may include, but is not limited to:
  1. Failure to meet contract deadlines or delivery schedules.
  2. Escalation of costs or fees related to performance.
  3. Quality deficiencies or non-compliance with contract specifications.
  4. Safety violations or regulatory infractions.
  5. Poor communication, responsiveness, or cooperation with municipal staff.
  6. Contract disputes, terminations, or legal claims related to performance.

### **(c) Use of Recorded Issues**

- a. The Town of Carberry & Municipality of North Cypress-Langford will maintain records of contractor performance, including notices, deficiency reports, contract reviews, and other relevant documentation.
- b. Bidders with documented performance issues may receive lower scores in the evaluation process, affecting their eligibility for award.
- c. Contractors may be given an opportunity to provide explanations or evidence of corrective actions taken to address past performance deficiencies.

### **(d) Right to Disqualify**

- a. The Town of Carberry & Municipality of North Cypress-Langford reserves the right to reject any Bid where past performance indicates a significant risk to successful contract completion.
- b. Decisions regarding disqualification will be based on objective evidence and may be subject to review by the Chief Administrative Officer (CAO) or Council where necessary.

## 8. Financial Limitations:

- (a) No Manager or Foreman has the authority to exceed the net total budget of that Department without the authorization of the CAO in accordance with Town of Carberry & Municipality of North Cypress-Langford spending and purchasing policies. Spending outside of the budget shall require council resolution.

## 9. Notice of Intent:

The Town of Carberry & Municipality of North Cypress-Langford intends to participate in one or more procurements conducted by Canoe Procurement Group of Canada annually. This notice will be confirmed by resolution of Council and posted on MERX each January. For further information and access to the Canoe RFP notices, please visit the Canoe Procurement Portal at <https://canoe.bidsandtenders.ca/Module/Tenders/en>, [www.purchasingconnection.ca](http://www.purchasingconnection.ca) or review the Manitoba designated tendering site at <http://www.merx.com> For further information about Canoe, please visit their website at [www.canoeprocurement.ca](http://www.canoeprocurement.ca).

## 10. Exceptions:

- (a) There may be certain times where exceptions will need to be made. For example, if there is an emergency or other situation of urgency i.e. loss of heat, water supply issues, sewer main break, etc., or other circumstance where limited tendering is required, that there will be a need to expedite the process so essential services can be restored. This will be at the discretion of the CAO, with consultation with Council as appropriate.

## 11. Process for Selling Surplus Assets:

Surplus/obsolete vehicles, furniture, and equipment will be disposed of in the following manner:

- competitive bid process through a Request for Quotations, or
- public auction, or
- trade-in on a new or replacement capital asset, or
- Council resolution in cases where the estimated value is less than or equal to \$5,000

Invitations to bid on capital assets offered for sale by the Town of Carberry & Municipality of North Cypress-Langford will be:

- posted on the Town of Carberry & Municipality of North Cypress-Langford's website for at least 14 days before the closing date of the invitation to bid.

- Posted on the Town of Carberry & Municipality of North Cypress-Langford's social media channels
- May be posted in area classifieds if applicable

Surplus assets traded in on new or replacement assets will not be advertised for public sale.

Non-capital items (e.g. chairs, tables, office equipment) valued at under \$1,000 can be disposed of via donation, auction, or sale as authorized by the CAO or designate.

All sales of assets shall be conducted on an "as-is" basis, with no warranties or guarantees provided by the Town of Carberry & Municipality of North Cypress-Langford.

Contracts for the sale of a surplus asset to a bidder shall be awarded using the evaluation process that is specified in the invitation to bid. The Town of Carberry & Municipality of North Cypress-Langford is not required to accept a bid if Council decides not to proceed with the sale (e.g. if all bids are too low). The highest or any bid will not necessarily be accepted.

The CAO may award surplus assets without competition or auction to any party in limited circumstances, as determined and approved by Council.

Payment in full must be received by the Town of Carberry & Municipality of North Cypress-Langford within 30 days from the date of notification of successful bid acceptance. Failure to complete payment within the specific timeframe may result in the sale being awarded to the next highest responsive bidder.

**Adopted by Resolution of Council #11-25 at Carberry, Manitoba, this 28<sup>th</sup> day of October, 2025.**