

TOWN OF ANNAPOLIS ROYAL

POLICY

Title:

Policy on procurement

Policy No.:

2008

Effective Date:

Supersedes: 2005-2

Approval By Council Motion No.:

Purpose:

To allow for the procurement of goods, general services and construction services on an open and competitive basis.

Definitions:

N/A

Policy Statement:

- 1. Authority:** Procurement of goods and services within the policy guidelines and budgetary limits shall be carried out under the direction of the CAO.

- 2. Factors for Consideration:** Procurement decisions will take into account various factors including but not restricted to the following: price, quality, quantity, delivery, service capabilities and environmental concerns. Effectiveness and efficiency will be the overriding considerations in all purchases.

- 3. Sole Source Procurement:** Procurement from a single or sole source is permitted in certain circumstances, including the following: emergency purchases, for reasons of compatibility to goods previously purchased, procurement for research and development, the existence of only one known source.

- 4. Information:** Information pertaining to the procurement policy shall be available upon request to interested parties.

PROCUREMENT PROCEDURE & LIMITS

1. GOODS

(i) **Machinery and Equipment of a Capital Nature:** Items of over **\$1,000** shall be procured by inviting quotes from at least three sources, where available.

(ii) **All Other Goods:** Items of over **\$1,000** shall be procured by inviting quotes from at least three sources, where available.

(iii) Purchase orders are required for all of the above.

2. SERVICES

Services over **\$2,500** shall be procured by inviting quotes from at least three sources, where available. Notwithstanding this limit, insurance services shall be subject to quotations not less than once every three years, and audit services not less than once every five years. Purchase orders are required.

3. CONSTRUCTION SERVICES

Construction contracts over **\$10,000** (only in instances where contracting is deemed necessary) shall be procured by inviting quotes from at least three sources. Purchase orders are required.

4. ENERGY EFFICIENT PRODUCTS

Products labeled ENERGY STAR will be preferred over other products.

Mayor

Chief Administrative Officer

Date

Date