



Halifax Water Procurement Policy

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**STRAIGHT from
the SOURCE**

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1. PURPOSE

The purpose of this Policy is to establish guidelines for procurement of goods, services and construction for Halifax Water

2. PRINCIPLES

Procurement at Halifax Water will be undertaken in accordance with the following principles:

2.1 FAIR, OPEN AND TRANSPARENT

Access for qualified suppliers to compete for Halifax Water's business must be open and the procurement process must be conducted in a fair and transparent manner providing equal treatment to suppliers. Suppliers must have equal access to information on procurement opportunities and processes.

2.2 PROPER PLANNING

Prior to any procurement activities, Halifax Water will undertake planning to identify the goods, services and/or construction required to meet its needs, to determine the appropriate procurement method and the appropriate approvals required. Halifax Water will not plan, design, or otherwise structure a procurement process, select a valuation method, or divide procurement requirements in order to avoid the obligations of this Policy.

2.3 AVOIDING CONFLICT OF INTEREST

Conflict of interest, whether actual, potential or perceived, must be avoided during the procurement process and the ensuing contract. It is the responsibility of individuals involved in procurement decision-making or a procurement process to disclose any actual, perceived or potential conflicts of interest according to Halifax Water's policies on conflict of interest.

2.4 GEOGRAPHIC NEUTRALITY AND RECIPROCAL NON-DISCRIMINATION

Halifax Water will ensure that access for suppliers to compete for business is geographically neutral and non-discriminatory. Halifax Water will apply regional preference for goods, services and construction in accordance with applicable laws and agreements.

2.5 ACCOUNTABILITY

Halifax Water is accountable for the results of its procurement decisions and the appropriateness of its procurement processes.

2.6 SUSTAINABILITY

Procurement planning and processes should be undertaken with a view to promoting social, environmental and financial sustainability.

2.7 SOCIAL RESPONSIBILITY

Halifax Water is committed to supporting enterprises whose core objectives include advancing equity, diversity, inclusivity, socio-economic interests and/or building healthy communities.

2.8 BEST VALUE

Halifax Water is not obligated to determine best value solely on price. The determination of best value may, at the discretion of Halifax Water, also include consideration of social responsibility, environmental

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responsibility, quality, capacity and capability of the bidder to meet the stated criteria, timing of the project, and/or impact on Halifax Water customers.

3. SCOPE

Subject to the thresholds and exceptions set out in herein, this policy applies to purchases of goods, services or construction by Halifax Water.

Halifax Water will determine whether a given purchase of goods, services or construction will be carried out by means of a competitive or non-competitive procurement in accordance with this policy.

Exceptions to competitive bidding requirements must not be for the purposes of avoiding competition or to discriminate against or favour specific suppliers.

4. METHODS OF PROCUREMENT

4.1 STANDING OFFERS

A standing offer is an offer to purchase goods and/or services repeatedly at pre-arranged prices and/or under set terms and conditions.

Halifax Water will use standing offers to reduce overall cost and achieve benefits through the consolidation of purchases when it is possible to combine requirements and encourage overall standardization of items.

Halifax Water may leverage the benefits of standing offers of other public sector entities, such as provincial or federal governments, municipalities, or other public utilities whenever practical, and/or when the arrangement would be in accordance with the principles of this policy.

4.2 INVITATIONAL COMPETITION

Invitational competitions invite three or more qualified suppliers to compete by submitting quotes and/or written proposals to Halifax Water for the supply of goods, services and/or construction.

Halifax Water will award invitational competitions in accordance with the principles of this policy, including best value to Halifax Water.

Financial thresholds for invitational competitions within Halifax Water are:

Invitational Competition Financial Thresholds		
Category	Financial Threshold	
	Min	Max
Goods	\$5,000	\$24,999
Services		\$49,999
Construction		\$99,999

For goods, services or construction valued below \$5,000, quotes are not required.

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4.3 OPEN COMPETITION

An open competition is an open and public procurement process that invites suppliers to compete by submitting written proposals to Halifax Water for the supply of goods, services, and/or construction. Examples of open competitions include tenders and requests for proposals.

Halifax Water will award open competitions in accordance with the principles of this policy, including best value to Halifax Water.

Financial thresholds for open competitions within Halifax Water are:

Open Competition Financial Thresholds		
Category	Financial Threshold	
	Min	Max
Goods	\$25,000	unlimited
Services	\$50,000	
Construction	\$100,00	

4.4 ALTERNATIVE PROCUREMENT

Alternative procurement processes are specialized and/or exceptional procurement processes that balance open and competitive procurement with urgent, specialized, or exceptional needs of Halifax Water.

Halifax Water may use alternative procurement processes when:

- 4.4.1 No proposals were submitted in an open competition,
- 4.4.2 No suppliers requested participation in an invitational competition,
- 4.4.3 No supplier satisfied the conditions for participation in the procurement process,
- 4.4.4 Halifax Water suspects collusion among bidders/suppliers,
- 4.4.5 The goods, services and/or construction can be supplied only by a particular supplier and no reasonable alternative exists,
- 4.4.6 When an urgent need arises due to an immediate risk to the health or safety of employees, the public, or the possibility of serious damage to public or private property or the environment.

Use of alternative procurement processes must be approved by the General Manager.

4.5 JOINT PROCUREMENT

Joint procurement is when Halifax Water engages with another public sector entity, such as provincial or federal governments, municipalities, or other public utilities to procure goods, services and/or construction.

Joint procurement includes Halifax Water extending procurement opportunities to other public sector entities and Halifax Water participating in procurement processes of other public sector entities.

Halifax Water will engage in joint procurement in accordance with the principles of this policy, including best value. The provisions of the applicable trade agreements apply to any Halifax Water joint procurement process.

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5. EXEMPTIONS

Procurement of the following services is not required to comply with the methods noted in section 4 of this policy:

- 5.1 *Legal services* including expert witness services, legal advice and representation, court reporter services, and arbitrators and moderators.
- 5.2 *Insurance services.*
- 5.3 *Banking services.*
- 5.4 *Professional consulting services* valued less than \$100,000.
- 5.5 *Accountant services* excluding audit services.
- 5.6 *Actuary services.*
- 5.7 *Training and education opportunities* including conferences, conventions, tradeshow, seminars, workshops, subscriptions, and association memberships.
- 5.8 *Refundable employee expenses* including advances, university courses, entertainment, miscellaneous non-travel, meal allowances, travel expenses, and hotel accommodations.
- 5.9 *Employer general expenses* including payroll deduction remittances, grants to agencies, medical and dental expenses, debenture payments, damages, petty cash, tax remittances, employee income, licenses, grants and contributions, real property (including land, buildings, easements, encroachments, licenses), member discretionary funds, and utilities (including water, wastewater, stormwater, power/energy, and telephone services).
- 5.10 *Miscellaneous items* including:
 - Print, television and radio media advertising
 - Publication and distribution of magazines, periodicals or newspapers but not including the sole activity of printing or typesetting
 - Production and distribution of audio, film or video recordings
 - Customs broker services
 - Taxi services
 - Courier services
 - Catering, meals and small incidentals
 - Postage
 - Minor items that would otherwise be impractical to purchase through formal procurement methods.

6. PUBLISHING INTENTION TO PROCURE

Where applicable, Halifax Water will publish its intention to procure goods, services and/or construction via the Nova Scotia Government hosted website/portal for public entity procurement opportunities.

7. EVALUATION, TIE BIDS AND CONTRACT AWARD

Quotes, bids and/or proposals will be evaluated by Halifax Water in accordance with the requirements and criteria published in the chosen method of procurement.

In the event Halifax Water receives tie bids, Halifax Water may, in its sole discretion, award the contract on the basis of best value. Halifax Water may also request the bidders submit an additional best and final offer and/or flip a coin to award the contract.

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Prior to awarding a contract for any goods, services and/or construction, Halifax Water will confirm that funding for the procured goods, services and/or construction has been approved and that the procurement is being made in accordance with this policy.

Halifax Water will publish a notice of contract award via the Nova Scotia Government hosted website/portal for public entity procurement opportunities.

8. DISQUALIFICATION

Quotes, bids and/or proposals deemed by Halifax Water to be non-compliant will be disqualified from evaluation.

Halifax Water may disqualify a supplier from participation in any procurement of goods, services and/or construction if that supplier has:

- 8.1 Failed to honour a bid
- 8.2 Failed to disclose a conflict of interest
- 8.3 Engaged in unethical bidding practices
- 8.4 Been convicted of a crime
- 8.5 Submitted a consumer proposal and/or claimed bankruptcy
- 8.6 Performed inadequately for Halifax Water

In the event Halifax Water disqualifies a supplier pursuant to this section, the supplier will be notified in writing by Halifax Water and have an opportunity to respond to Halifax Water. The supplier's response must be received by Halifax Water within 15 days of the date of notice of disqualification.

9. DEBRIEFINGS

A debriefing is an opportunity for a supplier to meet with Halifax Water to discuss their submission to either an open competition or an invitational competition.

Any request for a debriefing must be in writing and submitted to Halifax Water within ten days of notification of award, non-award or disqualification. Information about bids, submissions and/or proposals submitted by other bidders will not be discussed or disclosed in the debriefing.

A debriefing must be requested prior to submitting a complaint pursuant to section 10 of this policy.

10. COMPLAINTS

Complaints regarding a Halifax Water procurement process or decision pursuant to this policy must be submitted in writing within 30 days of completing the debriefing.

Complaints must include details of the reasons for the complaint and the resolution being requested.

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Complaints made pursuant to this section will proceed as follows:

Halifax Water Procurement Complaint Process	
Action	Timeline
Debrief complete	
Complaint submitted to Halifax Water	Within 30 days
Written response provided by Manager of Procurement	Within 20 days
Supplier requests in writing further review by Director of Corporate Services	Within 10 days
Written response provided by Director of Corporate Services	Within 20 days
Supplier requests in writing further review by General Manager	Within 10 days
Written response provided by General Manager	Within 20 days
Supplier requests in writing the matter be referred to arbitration	Within 10 days

In the event a complaint proceeds to arbitration, the arbitration will occur in Halifax, Nova Scotia and the arbitrator will be selected by agreement of Halifax Water and the supplier.

11. SUPPLIER PERFORMANCE MANAGEMENT

Halifax Water will manage supplier performance for issues such as poor workmanship, unnecessary contract delays and unsafe work practices.

12. CONFLICTS OF INTEREST

A conflict of interest is a situation where a person or company's personal or financial interest conflicts with the interests of Halifax Water. A conflict of interest can be actual or perceived.

Halifax Water will require all bidders to declare that there are no actual or perceived conflicts of interest.

13. CONFIDENTIALITY

Halifax Water is subject to the Part XX of the *Municipal Government Act*, S.N.S. 1989, c. 18, as amended, respecting freedom of information and protection of privacy. Halifax Water will comply with these and any other relevant laws as it relates to the disclosure of procurement-related information.

14. GENERAL

Halifax Water may engage the services of external consultants to assist with any stage or aspect of procurement.

Halifax Water will document its processes and decisions made pursuant to this policy. Halifax Water may audit its procurement processes from time-to-time for compliance with this policy.