

15.09.08      ADJOURNMENT



**REQUEST FOR DECISION**  
**Financial Forecasting: Budget Preparation &**  
**Cash Flow Forecasting**  
**#016-2015**

Date: 15 July 2015	Subject: Financial Forecasting: Budget Preparation & Cash Flow Forecasting
Proposal Attached: Yes	Submitted by: Rachel Turner, Chief Administrative Officer

Proposal:	That Committee of the Whole recommend to Council the approval of the Financial Forecasting: Budget Preparation & Cash Flow Forecasting Policy.
Background:	The attached policy is the last in the development of core best practices for financial management that the Municipal Finance Corporation is partnering with the Town of Middleton with. The MFC staff will be presenting the background on the development of the policy. It has been reviewed with both myself and Director of Finance Marianne Daine to ensure that it meets the needs of our organization.
Benefits:	As outlined in the MFC presentation.
Disadvantages:	
Options:	
Required Resources:	
Source of Funding:	
Sustainability Implications: (Environmental, Social, Economic and Cultural)	
Staff Comments/Recommendations:	
CAO's Review/Comments:	

CAO Initials: RLT

Target Decision Date: 6 July 2015



# MFC Core Best Practices

Financial Forecasting  
Policy

07.20.2015



# Purpose

- A framework for forecasting revenues and expenses
- Predict the impact of policies
- Plan for long and short term consequences



# Sources

- FMCBC core best practices
- Discussions with Middleton staff
- Other jurisdictions



# Spending Reports

- Finance prepares monthly reports starting in July
- Reports compare budget to actual spending for financial year to date
- Finance reviews reports with Department Heads



# Projections

- Departments use spending reports to update projections
- Projections cover known revenues and expenditures for the year
- Updated projections submitted to Finance



# Financial Forecasts

- Finance uses projections for financial forecasts
- Forecasts submitted to Council twice yearly
- Significant variances must be analyzed and explained
- Significant variances are over \$5,000 or 10% of budgeted





# Revenue and Expenditure Categories

<i>Major Revenues</i>	<i>Major Expenditures</i>
<ul style="list-style-type: none"><li>- Taxes</li><li>- Grant in lieu of taxes</li><li>- Services provided to other governments</li><li>- Sales of services</li><li>- Other revenue from own sources</li><li>- Unconditional transfers from other governments</li><li>- Conditional transfers from other governments</li><li>- Other transfers, collections from other governments</li></ul>	<ul style="list-style-type: none"><li>- General government services</li><li>- Protective services</li><li>- Transportation services</li><li>- Environmental health services</li><li>- Public health and welfare services</li><li>- Environmental development services</li><li>- Recreation and cultural services</li><li>- Fiscal services</li></ul>



# Communicating forecasts

- Forecasts should be included in the budget
- Assumptions:
  - Inflation
  - Assessment rates and growth
  - Property tax increases
  - Fuel and oil prices
  - General economic conditions



# Benefits

- Understanding of potential funding
- Evaluate financial risk
- Assess the sustainability of services
- Level of capital investments
- Identify future commitments
- Identify key variables influencing revenue

# Town of Middleton Financial Forecasting Policy

Effective Date:

Approval by Council Resolution:

## Table of Contents

Purpose .....	3
Forecasting Revenues and Expenditures .....	4

## **Purpose**

- I. To provide guidelines for the forecasting of revenue and expense items for the Town of Middleton. Forecasts shall be used to assess the long- and short-term impacts of current and proposed policies, to predict and plan for events, and to determine potential problems and opportunities.

# Forecasting Revenues and Expenditures

## 1. *Forecasting Process*

- a) Budget to actual spending reports for the financial year to date are compiled by Finance in the middle of each month, starting in July, and reviewed with Department Heads.
- b) Department Heads should update their projections for the remainder of the year based on this information and known future revenues/expense. Projections are updated monthly, from September through March, and submitted to Finance.
- c) The Director of Finance shall use these projections to compile financial forecasts at the department level to be submitted to Council. Forecasts are compiled twice yearly, in September/October and January/February, with the intent to move to bi-monthly, and eventually monthly, forecasting.
- d) Any variances over \$5,000 or 10% of budgeted, whichever is greater, must be explained.

## 2. *Compiling Forecasts*

- a) Forecasted revenues and expenditures must be presented as gross figures.
- b) Major cost drivers for services and programs should be forecasted along with financial items.
- c) All underlying assumptions regarding the forecast should be clearly stated and corrected as they occur. Assumptions include:
  - Consumer Price Index (CPI) inflation
  - Uniform assessment
  - Interest rates
  - Assessment growth
  - Municipal property tax rate increases
  - Residential and commercial expansion
  - Fuel and oil prices
  - General economic conditions
- d) Nova Scotia Municipal Indicators (<http://novascotia.ca/dma/finance/indicators.asp>) and the Financial Condition Index (<http://novascotia.ca/dma/finance/indicator/fci.asp>) can be used to augment assumptions.

## 3. *Revenue Categories*

The following categories should be used when forecasting revenues:

- a) Taxes
- b) Grants in lieu of taxes
- c) Services provided to other governments
- d) Sales of services

- e) Other revenue from own sources
- f) Unconditional transfers from other governments
- g) Conditional transfers from other governments
- h) Other transfers, collections from other governments

4. *Expenditure Categories:*

The following categories should be used when forecasting expenditures:

- a) General government services
- b) Protective services
- c) Transportation services
- d) Environmental health services
- e) Public health and welfare services
- f) Environmental developments services
- g) Recreation and cultural services
- h) Fiscal services

5. *Communicating the Forecast*

The forecast, along with its underlying assumptions and methodology, should be included in the budget.





**REQUEST FOR DECISION**  
**Procurement and Purchasing Policy Amendments**  
**#017-2015**

Date: 15 July 2015	Subject: Procurement and Purchasing Policy Amendments
Proposal Attached: Yes	Submitted by: Rachel Turner, Chief Administrative Officer

Proposal:	<p>That Committee of the Whole recommend to Council the approval of the Procurement and Purchasing Policy as amended.</p> <p>That Committee of the Whole recommend to Council to repeal Policy #A.1.3 – Purchasing Procedures.</p>
Background:	<p>Through the partnership with the Municipal Finance Corporation and the Financial Management Best Practices Pilot Project, the Town of Middleton has implemented several best practices over the past number of months. One of the policies is on procurement, or the “how” of purchasing. To compliment this, MFC agreed to assist with a purchasing policy, the “who” of purchasing, outlining who does purchasing on behalf of the Town and what are appropriate spending authority thresholds.</p> <p>Through the process of developing a separate draft policy, it was agreed at the staff level that the combination of the two policies into one comprehensive procurement and purchasing policy would be the most effective and efficient approach, as the subjects are integrally linked together.</p>
Benefits:	By including purchasing requirements and authorities within the procurement policy, it removes the need to reference a separate policy to ensure procedures are correct. It also clearly outlines staff authority around purchasing.
Disadvantages:	None foreseen.
Options:	
Required Resources:	
Source of Funding:	

Sustainability Implications: (Environmental, Social, Economic and Cultural)	
Staff Comments/ Recommendations:	
CAO's Review/ Comments:	The staff at MFC have been very helpful and supportive in finding a balance to incorporate the purchasing aspects of this policy. This makes the policy much more comprehensive and user-friendly and should also meet the needs of our auditors regarding controls around purchasing.

CAO Initials: RLT

Target Decision Date: September 8, 2015



# MFC Core Best Practices

Procurement Policy  
Amendments

07.20.2015



# Current Policy

- High/low-value thresholds
  - Goods over \$25,000
  - Services over \$50,000
  - Facilities over \$50,000
  - Construction over \$100,000
- Below: Obtain at least three quotes
- Above: Publicly tender
- Less than \$1,000: no quote required





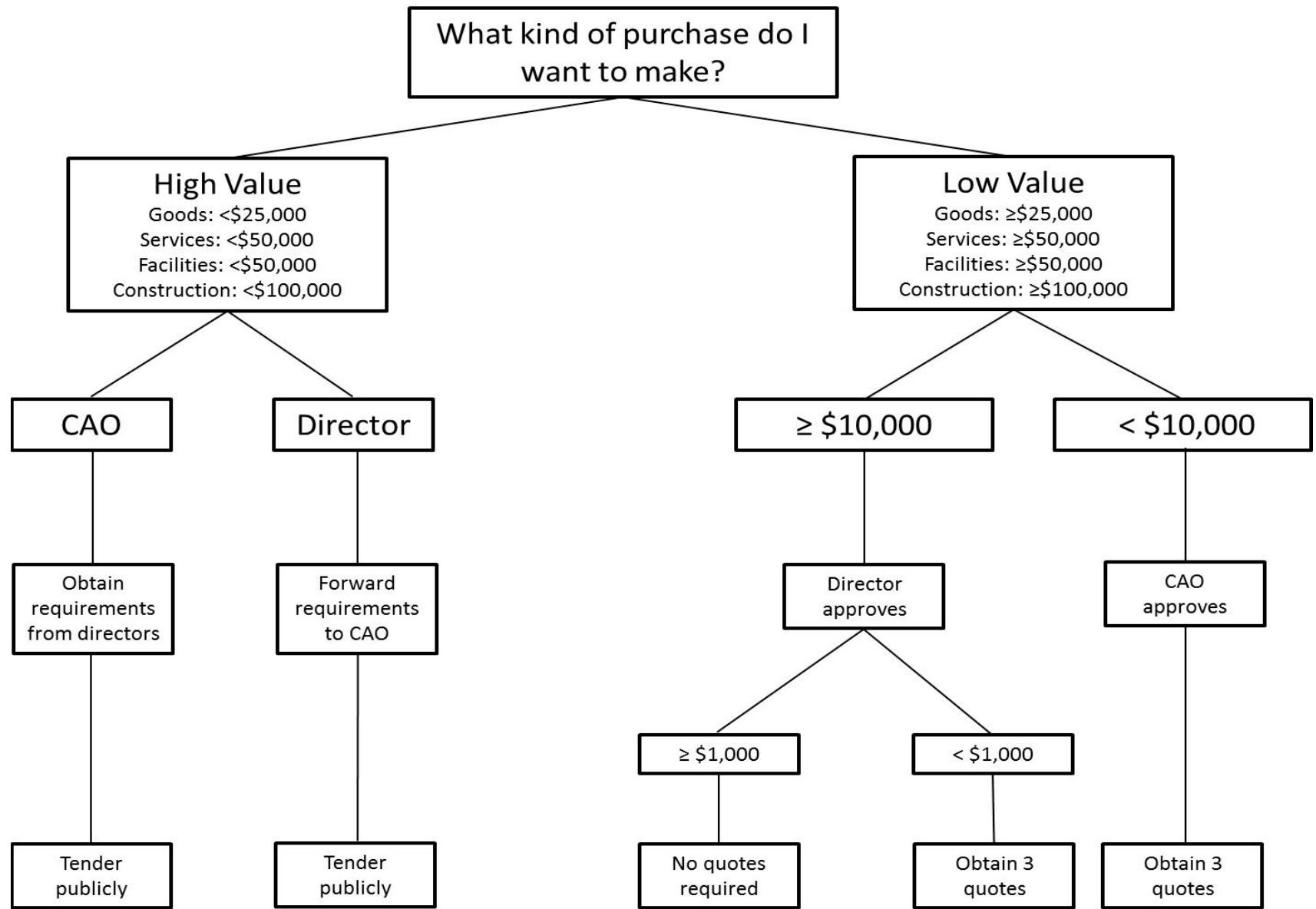
# Proposed Amendments

- Revised purchasing authority thresholds
- To introduce a formal purchasing card policy



# Purchase Orders

- Used for each purchase
- CAO and Directors only have authority
- Directors authorize low-value purchases up to \$10,000
- CAO authorizes low-value purchases above \$10,001
- Council approval needed for over-budget amounts





# Local preference

- 5% applied to local businesses
- Only for low-value purchases





# Purchasing Cards

- Reduce costs for low value goods
- Create efficiencies
- Streamline administration of payments
- Currently no formal policy
- Establish card limits and spending thresholds
- Establish procedure for using and accounting



# Thresholds and Responsibilities

- Mayor - \$5,000
- CAO - \$5,000
- Directors - \$2,500
- Different thresholds require Council approval



# Restrictions

- No cost splitting
- May not be used for:
  - Personal purchases
  - Cash advances (without approval)
  - Alcohol
- No cash refunds



# Processes Included

- Card issuance
- Cancellation on termination of cardholder
- Lost/stolen cards
- Disputed items
- Returning purchases



# Benefits of Revised Policy

- Improved internal controls
- Increased efficiency and cost savings

## Risks

- Decentralized decision making
- Card fraud

## Mitigation

- Control through oversight and documentation

# Town of Middleton Procurement and Purchasing Policy

Effective Date:

Approval by Council Resolution:

## Table of Contents

Purpose .....	3
Application.....	4
Spending Authority .....	5
Procurement Process.....	6
Purchasing Cards.....	12
Appendix 1 – Definitions.....	16
Appendix 2 – Alternative Procurement .....	20
Appendix 3 – Procurement Tools .....	22

## **Purpose**

1. To provide guidelines for the procurement and purchase of all goods and services for the Town of Middleton based on sound management and public procurement practices.  
Procurement methods shall be open, fair, transparent and consistent, while being both efficient and effective; procurement methods should reflect the need to make timely decisions and make best use of staff time to reach defensible procurement decisions.
2. To establish a more efficient and cost effective method of procuring and paying for low dollar value, high volume goods and services, as well as, travel expenses, registrations and other corporate affiliated expenses, while maintaining acceptable levels of control and accountability.



## **Application**

3. This policy applies to all procurement and purchasing activity of the Town of Middleton.
4. The Chief Administrative Officer (CAO) of the Town of Middleton is responsible for ensuring compliance with this policy.
5. All Town of Middleton personnel who have responsibility for the procurement of goods, services, construction, or facilities must adhere to this policy. Failure to adhere may result in a temporary or permanent loss of procurement privileges or in more extreme cases result in disciplinary action and/or dismissal.

## Spending Authority

### Roles and Responsibilities

#### 6. *Chief Purchasing Officer Responsibilities*

- a) The CAO shall be the Chief Purchasing Officer for the Town and shall oversee the purchasing practices of all departments to ensure compliance with the Town's purchasing policy.
- b) The CAO shall issue purchase orders for operational supplies for the general government services department, Emergency Management Office (EMO) and other protective services, public health and welfare services for all departments in accordance with purchasing policy procedures. The CAO shall issue operational purchase orders for the other departments in the absence of the respective director.
- c) *Low value thresholds* – The CAO shall be responsible for approving low value operational purchases of \$10,001 or more for all departments in accordance with Procurement Policy procedures.
- d) *High value thresholds* – The CAO shall prepare and call tenders for all high value purchases of the Town and shall guide the tender opening process through the appropriate procedure, as detailed in this policy.

#### 7. *Director Responsibilities*

- a) Directors shall issue all purchase orders for their departments only. All purchase of goods and services shall require a purchase order to be issued.
- b) No director shall charge a purchase to another department without the prior knowledge and approval of the director affected.
- c) *Low Value Thresholds* – Directors of departments shall be responsible for approving low value operational purchases up to and including \$10,000 for their own department in accordance with Procurement Policy procedures.
- d) *High Value Thresholds* – For purchase requirements above high value thresholds set in the Procurement Policy, the director shall submit a set of specifications for inclusion in the public tender call process to the CAO.

# Procurement Process

## Objectives

8. The Town of Middleton is committed to:
  - a) Providing for the procurement of goods, services, construction and facilities in a fair, open, consistent, and transparent manner resulting in best value.
  - b) Encouraging competition, innovative ideas and solutions, while respecting all Legislative and Trade Agreement obligations.
  - c) Promoting sustainable procurement in procurement decisions, including identifying and exploring opportunities to work with and support social enterprises and businesses that are owned by and who employ under-represented populations.
  - d) Ensuring that qualified suppliers have equal opportunity to bid on the Town of Middleton's procurement activity.
  - e) Being accountable for procurement decisions.

## Thresholds

9. Low Value Procurement
  - a) Goods up to and including \$25,000
  - b) Services up to and including \$50,000
  - c) Facilities up to and including \$50,000
  - d) Construction up to and including \$100,000
10. For all low value procurement activity with a procurement value of less than \$1,000:
  - a) The procurement decision must be made by the applicable Department Director or by an employee designated by the Director, and appropriate documentation (e.g. receipts, invoices) must be kept.
  - b) Low value construction, facilities, goods and services may be procured under a standing offer if one exists for the construction, facilities, goods or services required, and if doing so will provide best value.
  - c) If the construction, facilities, goods or services are not purchased by a standing offer they may be purchased from any supplier, unless municipal staff have reason to believe that purchasing the construction, facilities, goods or services from that supplier would not provide best value.

11. For all low value procurement activity with a procurement value between \$1,001 and \$10,000:
- a) The procurement decision must be made by the applicable Department Director or a manager, supervisor or foreman as designated by the Director.
  - b) Construction, facilities, goods and services may be procured under a standing offer if one exists for the construction, facilities, goods or services required, and if doing so will provide best value.
  - c) If the construction, facilities, goods or services are not procured under a standing offer the construction, facilities, goods or services must be procured by a request for quotations where reasonable.
12. For all low value procurement activity having a value of \$10,001 or more:
- a) The procurement decision must be recommended by a Department Director to the CAO for approval.
  - b) Construction, facilities, goods or services may be procured under a standing offer if one exists for the construction, facilities, goods or services required, and if doing so will provide best value.
  - c) If the construction, facilities, goods or services cannot be procured under a standing offer, the CAO must decide whether the construction, facilities, goods or services must be procured by a request for quotations or by public tender.
13. When selecting the list of suppliers to be provided the opportunity to quote, Town of Middleton personnel will make every effort to ensure a fair and open process is followed. While Town of Middleton personnel are expected to invite only qualified suppliers, they are not to consistently invite bids from only one or a select group of suppliers. Invitations and bidding opportunities are to be equitably distributed among all potential bidders in an area, and all interested and qualified suppliers are to be evaluated on a consistent and equitable basis. Where increased competition is appropriate, Town of Middleton personnel may choose to publicly tender for goods, services, construction or facilities that fall within the above thresholds.
14. *High Value Procurement*
- a) Goods over \$ 25,000
  - b) Services over \$ 50,000
  - c) Facilities over \$ 50,000
  - d) Construction over \$100,000

15. All procurement activity with a procurement value over the thresholds (excluding taxes) outlined above must be obtained through a public tender, which may be preceded by a request for qualifications or request for expressions of interest. See Appendix 3 of this Policy for an outline of tools available for public tender. The only exception to this would be when Town of Middleton personnel are using an Alternative Procurement Practice, or are accessing a publicly tendered standing offer. All public tender opportunities must be posted on the Province of Nova Scotia Procurement Web Portal. Town of Middleton personnel may wish where appropriate to also advertise in local, provincial, or national media; however, there is no obligation to do so. In addition, a notice of tender opportunity may be sent to selected suppliers where required to ensure an adequate degree of competition. The procurement decision must be made by Council.
16. Municipal staff or Council (whoever has authority to award the contract under this Policy) may approve exceptions to the normal purchasing practices outlined in sections [12] to [15] of this Policy:
- a) when a more competitive process normally used for goods and services of higher value, is used; or
  - b) when, in accordance with the criteria described in the “alternative procurement practices” provisions in Appendix 2 or exceptions that are provided for elsewhere in this policy, it is necessary or appropriate that the construction, facilities, goods or services be purchased in accordance with that section.
17. *Alternative Procurement Practices*
- In order to balance the need for open, competitive process with the demands of urgent or specialized circumstances, Alternative Procurement Circumstances have been developed. These circumstances must be used only for the purposes intended and not to avoid competition or used to discriminate against specific suppliers. To ensure appropriate use, each circumstance must be documented by Town of Middleton personnel stating the rationale permitting the Alternative Procurement Circumstance, and signed by the CAO. All documents must be filed and maintained for audit purposes. See Appendix 2 for a list of the Alternative Procurement circumstances, as well as further requirements on documentation.
18. *Bid Opening, Evaluation, and Award*
- e) *Bid Opening*  
Bids are accepted in accordance with the closing time, date, and place stipulated in the bid request documents. Members of the public may receive the list of bidders electronically after bid opening.
  - f) *Bid Evaluation*

All bids are subject to evaluation after opening and before award of contract. The bid request documents must clearly identify the requirements of the procurement, the evaluation method, evaluation criteria based on the purpose and objectives of this policy, and the weights assigned to each criterion.

g) *Award*

The winning bidder and contract award amount for all high value procurement activity must be posted on the Province of Nova Scotia's Procurement Web Portal. After contracts have been awarded, routine access to information at the vendors' request shall be provided in the following areas:

h) *Bidders list*

- i. Name of winning bidder
- ii. Award price excluding taxes of the winning bidder
- iii. Access to tender documents or other proprietary information is subject to the provisions of the Freedom of Information and Protection of Privacy Act.

i) *Supplier Debriefing*

At the request of a supplier who submitted a bid, Town of Middleton personnel will conduct a supplier debriefing session to provide feedback on the evaluation of the public tender. Suppliers can find out how their proposal scored against published criteria, obtain comments on their bid, and gather information on how future bids may be improved. Bids are not compared to others, nor will information on other bids be provided.

j) *Supplier Complaint Process (SCP)*

When a supplier is not satisfied with the information provided in a supplier debriefing, the supplier may file a complaint in accordance with the Supplier Complaint Process as defined in the Public Procurement Act. The SCP is not a dispute resolution process, but rather is intended to handle supplier complaints and to improve faulty or misleading procurement processes. The SCP is an integral part of a fair and open procurement policy.

## 19. *Purchase Orders*

- a) Generally a purchase order serves as a supporting document for a purchase, identifies the purchasing authority and indicates that funds have been committed for a purchase.
- b) A purchase order will be obtained and approved by the CAO, Department Director, or their designate before any order for construction, facilities, goods or services is placed. In case of emergency approval shall be obtained as soon as possible thereafter.
- c) Purchase orders shall be fully completed and an accurate estimate of the cost is to be given.

- d) Some purchases involve payments of a recurring nature, therefore, after the initial purchase order subsequent purchase orders are not required. They are also not required for legislated mandatory contributions to the Province of Nova Scotia or other levels of government.
- e) A purchase is not to be split into multiple purchase orders to avoid the intent of the purchasing policy and avoid procedures required for the threshold values defined in this policy
- f) Purchase orders are not required where petty cash accounts may be maintained. Petty cash is for minor purchases which typically are of an immediate nature. The finance department establishes petty cash accounts, procedures and limits.

#### 20. *Fair Treatment for Nova Scotia Suppliers*

Based on the principle of best value for the Town of Middleton and when deemed to be in their best interest, Town of Middleton personnel may apply a preference for goods valued up to and including \$25,000 that are manufactured or produced in Nova Scotia. The final decision to apply a preference to a Nova Scotia supplier shall be approved by the CAO. Town of Middleton personnel may also choose to apply a Nova Scotia preference or restrict the receipt of quotations at or below the low value procurement thresholds to Nova Scotia suppliers. Any decision made by Town of Middleton personnel should be based on budget considerations, and shall be approved by the CAO.

#### 21. *Local Preference and Sustainability Considerations*

Town of Middleton staff must give reference to purchasing goods manufactured or produced and services from local businesses in accordance with the following:

- a) In evaluating which goods or services offer best value to the Town of Middleton, the Town of Middleton must apply a preference of 5% to the price offered by a local business as compared with non-local businesses, such that the price offered by the local business is adjusted lower by 5% for the purposes of evaluating which goods or services offer best value.
- b) All requests for quotations and notices of public tender must state that local preference applies to the procurement.
- c) In accordance with the Atlantic Procurement Agreement, the local preference described above does not apply to high value procurement as outlined in section [14] of this Policy.
- d) Pursuant to the *Public Procurement Act*, in evaluating which goods or services offer best value to the Town of Middleton, the Town of Middleton may consider sustainability criteria, meaning environmental considerations, social considerations and economic considerations.

- e) All requests for quotations and notices of public tender must list the sustainability criteria that apply to the procurement.

## **Other Considerations**

### *22. Cooperative Procurement*

Town of Middleton personnel are encouraged to look for opportunities to collaborate with government agencies when the arrangement may result in overall cost savings or other substantial advantages. For example, joint procurement may be appropriate to procure commonly used goods, services, fuel oil, natural gas, telecommunications, etc.

### *23. Standing Offers*

Town of Middleton personnel may access all Province of Nova Scotia standing offers, as well as any standing offer established through the Procurement Advisory Group for the Province should Town of Middleton personnel wish to make use of the savings opportunities.

## **Obligations under the *Public Procurement Act***

- 24. In addition to the areas already covered by this Policy, the following are additional obligations of the *Public Procurement Act* that the Town of Middleton personnel are required to adhere to with their procurement practices.

- k) *Terms and Conditions*

Every public tender notice must include or have attached the terms and conditions that govern the purchase of goods, services, construction, or facilities. The terms and conditions of every public tender notice must be consistent with the Atlantic Standard Terms and Conditions for the procurement of goods, services, or facilities and the Construction Contract Guidelines developed in collaboration with the Construction Association of Nova Scotia for the procurement of construction.

- l) *Posting Tender Notices and Awards*

All opportunities subject to a public tender must be advertised on the Province of Nova Scotia Procurement Web Portal. Town of Middleton personnel must also post on the Procurement Web Portal the name of the successful bidder for the public tender and the contract amount awarded.

- m) *Code of Ethics*

Town of Middleton personnel and council must ensure their conduct in relation to procurement activity is consistent with the “Duties of public sector entity employees” in the *Public Procurement Act*. This includes a request for removal from a procurement activity when a personal conflict of interest is perceived.

- n) *Other*

- i. *Policy Posting*



Town of Middleton personnel will ensure this policy is posted on the town's web site.

ii. *Supplier Development Activities*

Town of Middleton personnel will make every attempt where appropriate to participate in vendor outreach activities as requested by the Procurement Governance Secretariat.

iii. *Regulations*

Town of Middleton personnel will make sure that procurement practices remain consistent with any regulations that are adopted under the *Public Procurement Act*.

## **Purchasing Cards**

### **Objectives**

25. The Town of Middleton is committed to:
- o) Reducing the costs of procuring and paying for low dollar value goods, services, and travel expenses by reducing the number of small orders and invoices processed and the number of cheques issued.
  - p) Eliminating the issuance of travel and cash advances in addition to separate payments or registration fees, transportation costs, and accommodations.
  - q) Maintain the existing levels of discounts negotiated with suppliers for prompt payment by providing a more efficient payment process.
  - r) Streamline administrative functions and reduce the time spent by departments processing payments.
  - s) Maintain an acceptable level of accountability and safekeeping of the Town of Middleton's assets by setting appropriate limits and restrictions on the use of cards.

### **Roles and Responsibilities**

26. Purchasing cards may be used by select authorized purchasers for procuring both goods and services for the Town of Middleton. The purchasing card has a transaction limit which is set by the Town of Middleton to meet the cardholder requirements. The CAO shall use discretion in the number of cards in use at the Town of Middleton by reviewing the nature of the positions which have cards and the requirement of their respective departments.
27. Unless a separate and different level has been specifically approved by Council, the purchasing card limits shall be as follows:
- t) Mayor - \$5,000
  - u) CAO - \$5,000
  - v) Directors - \$2,500

These limits are defined as the maximums for individuals the CAO deems appropriate to have a purchasing card. The limits represent the total amount of purchases that can be charged to the card during a one month billing cycle.

28. Under no circumstances shall a transaction be split into two or more separate receipts to bypass the transaction dollar limit on the card or the approval limits of the employee.
29. The purchasing card may not be used to purchase or pay for:

- a) Personal purchases
  - b) Cash advances without approval
  - c) Alcohol
30. Written agreements shall be made with the bank, including fee schedules and processing procedures. The bank may assign a manager to the Town's account in addition to the Town's monitoring mechanisms
31. To enhance accountability, there shall be a segregation of duties involved with purchasing cards, including payment approval, accounting, and reconciliation.

### **Receiving Goods**

32. The cardholder shall keep a copy of all supporting documentation (e.g. cash register and purchasing card receipts, vendor notices, purchase register, etc.) and attach it to the monthly statement. The cardholder shall certify that the goods have been received by signing the sales slip.

### **Disputed Items and Returns**

33. Disputed items are purchases that do not accurately reflect the transactions made by the cardholder (e.g. wrong amount, incorrect account number, multiple posting, etc.) The cardholder shall be responsible for reporting these as soon as possible to the bank and the Director of Finance.
34. Problems with merchants relating to unsatisfactory goods, late delivery, changes from quoted process, etc. shall not be considered disputed items and shall be settled directly with the vendor by the buyer. In the event the goods are to be returned to the supplier, the cardholder shall request a Return Confirmation Number from the supplier along with return instructions and forward the goods back to the supplier in accordance with these instructions. All credits must be processed against the purchasing card; under no circumstances shall a cash refund be permitted.

### **Billing and Statements**

35. Purchases made on the purchasing card shall be the liability of the Town of Middleton. Upon receipt of a monthly bill, the Finance Department will ensure payment is effected promptly to avoid financing charges.

### **Card Issuance**

36. Cards shall be issued in the name of the Town of Middleton and the individual designated by the CAO. The Director of Finance shall be responsible to ensure that the individual is familiar with the guidelines for the use of this card as outlined in this document. Cardholders should be fully trained on the responsibilities associated with the purchasing cards, including telephone, fax and internet purchases, as well as the repercussions if they abuse the card.

### **Card Cancellation**

37. Purchasing cards will be cancelled when the cardholder no longer holds a position approved for a card, no longer requires the card, the card is lost or stolen or when the cardholder has terminated employment with the Town of Middleton. The card may also be cancelled if it is not used in accordance with the guidelines outlined in this document. Any card can be cancelled at any time by the Director of Finance, or the cardholder's manager.
38. A written request from the cardholder's manager shall be forwarded to the Director of Finance with the name of the cardholder and the reason for cancellation. The Director of Finance shall contact the bank and shall confirm the cancellation. It shall be the responsibility of the manager to ensure that terminated employee's cards are cancelled immediately upon termination from the Town of Middleton. It shall also be the manager's responsibility to ensure that cancelled purchasing cards are returned to the Director of Finance for destruction.

### **Lost or Stolen Cards**

39. All purchasing cards shall remain the property of the Town of Middleton and must be protected in the same way as a personal purchasing card. Should the card be lost or stolen, it shall be the cardholder's responsibility to report the event immediately to the bank and to the Director of Finance. If the cardholder requires assistance with statements, disputed items or other issues, they shall contact the Director of Finance.

### **Roles and Responsibilities**

40. *Director of Finance shall be responsible to:*
- d) Administer and audit the purchasing card program
  - e) Maintain a master list for all cards
  - f) Maintain all original cardholder agreements
  - g) Ensure monthly billings are paid in a timely fashion
  - h) Ensure cardholders are completing statement reconciliations accurately
  - i) Offer training and support to cardholders when issues occur during the process
  - j) Monitor employee activities, print reports, and adjust spending levels
  - k) Perform random audits of purchasing card transactions

- l) Track historical data to monitor program performance and ensure cost control targets are reached
- m) Overall administration of purchasing card program

41. *Cardholder shall be responsible for:*

- n) The security of their card and should not share the purchasing card or the card number with other individuals
- o) The use of the card in accordance with the guidelines outlined in this document and other related policies and procedures
- p) Confirm budget allocation for items being purchased
- q) Keep supporting documents (e.g. cash register and purchase card receipts, vendor notices, packing slips, etc.) related to all purchases made with the card for reconciliation
- r) Contacting the supplier if there are any problems with the order received and address disputes for a resolution
- s) Ensure all returns are credited to the statement
- t) Reporting lost or stolen cards to the bank and the Director of Finance
- u) Returning the card when requested to do so.

## **Appendix I – Definitions**

1. *Atlantic Standard Terms & Conditions*

Standard instructions that support public tenders issued by the four Atlantic provinces for goods and services. Supplements may be added if and when required.

2. *Best Value*

Evaluating bids not only on purchase price and life cycle cost considerations, but also taking into account items such as environmental and social considerations, delivery, servicing, and the capacity of the supplier to meet other criteria as stated in the tender documents.

3. *Bid*

A supplier response to a public tender notice to provide goods, services, construction or facilities.

4. *Construction*

The construction, reconstruction, demolition, repair, or renovation of a building, structure, road or other engineering or architectural work, excluding the professional consulting services related to the construction contract unless they are included in the procurement.

5. *Construction Contract Guidelines*

Standard instructions developed in consultation with the Construction Association of Nova Scotia that support construction tenders.

6. *Goods*

Materials, furniture, merchandise, equipment, stationery, and other supplies required by the Town of Middleton for the transaction of its business and affairs and includes services that are incidental to the provision of such supplies.

7. *Facilities (also referred to as Building Leases)*

All building lease requirements covering the conveyance of the right to use tangible building property for a specified period of time in return for rent.

8. *Procurement Activity*

The acquisition of all goods, services, construction, or facilities procured by purchase, contract, lease, or long-term rental.

9. *Procurement Value*

The value of the total contract excluding taxes but including all options whether exercised or not. For Facilities this value is determined by the monthly lease/rent times the term of the contract.

*10. Procurement Web Portal*

The public website maintained by the Province of Nova Scotia where all public tender notices are posted.

*11. Public Advertisement*

Advertising a public tender notice on the procurement web portal.

*12. Public Procurement Act (PPA)*

An Act outlining the rules related to the procurement activity of all public sector entities (including municipalities) in the Province of Nova Scotia.

*13. Public Tender*

Procurement for goods, services, construction, or facilities obtained through public advertisement. (See Appendix 3 for an outline of the various tools that can be used for public tender.)

*14. Public Tender Notice*

Notice of intended procurement for goods, services, construction, or facilities obtained through public advertisement.

*15. Services*

Services required by the Town of Middleton for the transaction of its business and affairs, excluding services provided by an employee through a personal services contract.

*16. Standing Offer*

A standing offer is a contractual arrangement with a supplier to provide certain goods or services on an 'as required' basis, during a particular period of time, at a predetermined price or discount, generally within a predefined dollar limit.

*17. Sustainable Procurement*

Sustainable Procurement involves taking a holistic approach to obtain best value. This will be done by integrating the following considerations in the procurement process:

- a) Environmental considerations: e.g. Green House Gas Reduction, Waste Reduction, Toxic Use Reduction

- b) Economic considerations: e.g. Life Cycle Cost, Fiscal Responsibility, Support for the Local Economy
- c) Social considerations: e.g. Employee Health and Safety, Inclusiveness and Fair Wage, Health Promotion.



## **Appendix 2 – Alternative Procurement**

Only those holding the appropriate role/position may delegate signing authority.

### *1. Low Value Purchase*

The CAO may delegate signing authority for low value Alternative Procurement transactions to the head of a given business area. No further approvals will be necessary. The CAO will ensure persons with delegated signing authority will be held accountable for their actions and that all procurement activities by Town of Middleton personnel are properly documented and filed for follow up and audit. The CAO shall remain accountable for the proper use of alternative procurement transactions.

### *2. High Value Purchase*

Town of Middleton personnel wishing to make use of a high value Alternative Procurement practice (with the exception of an emergency) must consult with the CAO to obtain his or her approval and identify the most appropriate means by which to proceed with the satisfaction of the requirement. If in agreement, CAO may direct Town of Middleton personnel to proceed with the procurement. The CAO may wish to confer with provincial government procurement officials for discussion, validation, and/or alternative options. The CAO may delegate signing authority for high value alternative procurement transactions to an Acting CAO in their absence. All appropriate documentation will be maintained on file for audit purposes. The CAO will ensure persons with delegated signing authority will be held accountable for their actions. The CAO shall remain accountable for the proper use of alternative procurement transactions.

## **Alternative Procurement Circumstances**

### *3. No Threshold Restrictions*

Town of Middleton personnel may use the following Alternative Procurement practices as described below for the procurement of goods, services, construction or facilities, with no threshold restrictions:

- a) Where an unforeseeable situation of urgency exists and the goods, services, or construction cannot be obtained in time by means of open procurement procedures. Entities must ensure inadequate planning does not lead to inappropriate use of this exemption.
- b) Where goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering process could reasonably be expected to compromise government confidentiality, cause economic disruption, or otherwise be contrary to the public interest.
- c) Where compliance with the open tendering provisions set out in this Policy would interfere with a Party's ability to maintain security or order, or to protect human, animal, or plant life or health.

- d) In the absence of tenders in response to an open or selective tender, or when the tenders submitted have been collusive, or not in conformity with the essential requirements in the tender.
- e) To ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licenses, copyright, and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative.
- f) Where there is an absence of competition for technical reasons and the goods or services can be supplied only by a particular supplier and no alternative or substitute exists.
- g) For the procurement of goods or services the supply of which is controlled by a supplier that is a statutory monopoly.
- h) For the purchase of goods on a commodity market.
- i) For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor.
- j) For work 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.
- k) For the procurement of a prototype or a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases.
- l) For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
- m) For the procurement of original works of art.
- n) For the procurement of subscriptions to newspapers, magazines, or other periodicals.
- o) For the procurement of real property.
- p) For the procurement of goods intended for resale to the public.
- q) For the procurement from philanthropic institutions, prison labour, persons with disabilities, sheltered workshop programs, or through employment equity programs.
- r) For the procurement from a public body or a non-profit organization.
- s) For the procurement of services of expert witnesses, specifically in anticipation of litigation or for the purpose of conducting litigation.

##### *5. Threshold Restrictions*

Town of Middleton personnel may use the following Alternative Procurement practices as described below, up to the high value thresholds of this Policy:

- a) For the procurement of goods or services for the purpose of evaluating or piloting new or innovative technology with demonstrated environmental, economic, or social benefits when compared to conventional technology, but not for any subsequent purchases.
- b) For procurement that fosters the development of minority businesses.

## Appendix 3 – Procurement Tools

Below is an outline of some of the various tools available for use when issuing a public tender:

### *1. Request for Proposal (RFP)*

Used when a supplier is invited to propose a solution to a problem, requirement, or objective. Suppliers are requested to submit detailed proposals (bids) in accordance with predefined evaluation criteria. The selection of the successful proposal is based on the effectiveness, value, and price of the proposed solution. Negotiations with suppliers may be required to finalize any aspect of the requirement.

### *2. Request for Construction (RFC)*

Used to publicly tender for a construction, reconstruction, demolition, remediation, repair, or renovation of a building, structure, road, bridge, or other engineering or architectural work. When a supplier is invited to bid on a construction project the tender documents usually contain a set of terms and conditions and separate bid form that apply to that specific project. Suppliers are requested to submit a response (bid) in accordance with predefined criteria. The selection of the successful proposal is based on a number of factors as described in the tender documents. A request for construction usually does not include professional consulting services related to the construction contract, unless they are included in the specifications.

### *3. Request for Quotation (RFQ)*

A request for quotation on goods or products with a minimum specification. Award is usually made based on the lowest price meeting the specification. An RFQ does not normally but may sometimes include evaluation criteria.

### *4. Request for Standing Offer (RSO)*

A public tender to provide commonly used goods or services. The term of the standing offer can vary in duration but will be clearly defined in the tender documents. RSO's may include evaluation criteria depending on the requirement.

### *5. Request for Expression of Interest (REI)*

The Request for the Expression of Interest is similar to the Request for Proposal and is sometimes referred to as a Pre-Qualification, where suppliers are invited to propose a solution to a problem. The REI, however, is only the first stage in the procurement process. Bidders responding to the REI will be short listed according to their scoring in the evaluation process. The short listed firms will then be invited to respond to a subsequent Request for Proposal. A REI does not normally include pricing as price is a key evaluation criteria used in the second stage RFP process.

This page has been left intentionally blank.

TOWN OF MIDDLETON CODE A - GENERAL ADMINISTRATION			
Subject: Purchasing Procedure		Number: 1.3	
Coverage: Staff		Approved by: Council & CAO	
Effective Date : December 3, 2001		Revision Date: October 3, 2005 July 4, 2006 August 8, 2006	

### ***Rationale***

This purchasing policy is written to ensure uniform purchasing practices between departments of the Town, to clarify the Town's preference for in-Town purchasing, to encourage market demand for recycled products and provide, as fairly as possible, equal purchasing between in-Town competitor suppliers.

### ***Policy Statement***

#### Chief Purchasing Officer Responsibilities

The Chief Administrative Officer (CAO) shall be the Chief Purchasing Officer for the Town and shall oversee the purchasing practices of all Departments to ensure compliance with the Town's purchasing policy.

The CAO shall issue purchase orders for operational supplies for the General Government Services Department, EMO and Other Protective Services, Public Health and Welfare Services and Capital purchasing for all Departments in accordance with purchasing policy procedures. The CAO shall issue operational purchase orders for the other Departments in the absence of the respective Director.

The CAO shall prepare and call tenders for all Capital purchasing of the Town requiring the public advertising process to be followed, and shall guide the tender opening process through the appropriate procedure, as detailed in this policy.

#### Department Head Responsibilities

Directors of Departments shall be responsible for operational purchasing for their own Department, in accordance with purchasing policy procedures.

Directors of Departments shall submit the required documentation to the CAO when requesting a capital purchase order for purchases between the \$2500 to \$5000 range.

For capital purchase requirements above the \$5000 range, the Director shall submit a set of specifications for inclusion in the public tender call process.

### 1. Small Item (Operational Purchasing)

Where small item supply capability is available from more than one in-Town supplier and service levels are competitive, department heads shall rotate purchasing between competitor suppliers to ensure, as near as possible, a balance of dollar value purchased.

If an imbalance in purchasing occurs within a Department, provided prices are the same or better, the Director shall attempt to correct the imbalance.

Small purchases of operating supplies from fringe businesses are allowed as is convenient for the Department involved, providing service and price levels are competitive with in-Town suppliers.

### 2. Large Ticket/Volume (operational purchasing)

Where purchase of a large item or volume purchasing in excess of \$250 is required, the purchase shall be made on the best price basis, whenever possible.

A margin of 5% shall be allowed in favor of in-Town and **suppliers within the immediate area of the Town, to a limit of \$250.**

### 3. Purchase Order Procedures (operational purchasing)

The following purchase order procedures shall be followed:

- A. Directors shall issue all purchase orders for their departments only. (All purchase of **goods** and **services** shall require a purchase order to be issued.)
- B. If staff have an emergency purchase requirement and the Director is not immediately available, a purchase order may be issued by the CAO.
- C. No Director shall charge a purchase to other than their own Department without the prior knowledge and approval of the Director affected.
- D. Classification of expenditures shall be subject to the CAO's approval.
- E. Directors shall submit the third part of all purchase orders issued for the day to the CAO the following morning for review. **The CAO shall have access to active purchase order books on request to verify purchase orders issued.** When empty, the bound book containing part four of the purchase orders shall be returned to the Town Office for replacement.
- F. All items purchased shall be listed on the purchase order and account coded. As accurate a cost as possible should also be provided for each item.

- G. Except where arrangements are made through the CAO's Office for annual purchase arrangements, all purchases must be covered with a purchase order. Purchases of large ticket items and volume purchasing, as set out in Section 2, from suppliers where annual purchase arrangements are in effect shall still be covered by a purchase order.
- H. Prior to budget approval, Directors shall not purchase items not considered necessary to ensure the continuance of the existing operation.
- I. **It is not permissible to issue a purchase order that will put the account over budget without first having approval for the over-budget amount. Reallocation between expenditure accounts and equipment priority changes in the same expenditure must also have prior approval.**

#### 4. Recycled Content

Wherever available, and where quality will not impede operational efficiency or harm equipment, material with recycled content shall be specified, **providing costs do not exceed 5% in the difference.**

#### 5. Tendering Practices (Capital Purchasing)

**The total of all components of a project shall be the basis for determining the Capital purchasing range that a project or item to be purchased shall be classified. Advertising and delivery costs shall be considered as components of a project. Procedures for varying ranges of Capital purchasing shall be followed as set out below:**

- A) **Purchasing in range from \$2500 to \$5000 - at time of purchase order request to the CAO, the Director shall:**
- 1. supply the originals of all quotes received from suppliers;**
  - 2. provide a list of suppliers invited to quote and,**
  - 3. provide written reasons for not inviting at least three (3) quotes and written reasons for not recommending the best price quoted.**

**Where the tender being recommended is not the best tender or is not the tender that meets the 5% or \$250 local purchasing guideline, or the tender exceeds the approved budget amount or number of units budgeted to be purchased, the matter shall be referred to the Committee of the Whole for its recommendation to Council.**

**If the request is within budget provisions, the CAO is authorized to issue a purchase order.**

- B) **Purchase range of \$5000 to \$15000- Procedures for these purchases shall include:**
- Tender specifications filed with CAO to include in the public tender process;**
  - Sealed tenders, closing at the CAO's Office;**

- Advertise in local paper - two (2) weeks. (Last ad {10} clear days before tender closing date).
- Direct tender invitation to known suppliers (three {3} invitations, if possible) may also be sent in addition to the advertisement.
- Tenders opened in public forum by CAO, and appropriate Director.
- Tenders awarded by the CAO.

C) Purchases above \$15,000;

- Tender specifications filed with CAO to include in the public tender process;
- Sealed tenders, closing at the CAO's Office;
- Advertise in local paper - two (2) weeks and two (2) consecutive days of display advertising in the Halifax Chronicle Herald. (Last ad {10} clear days before tender closing date).
- Direct tender invitation to known suppliers (three {3} invitations, if possible) may also be sent in addition to the advertisement.
- Tenders opened in public forum by CAO and appropriate Director.
- CAO and Director recommends to the Committee of the Whole for Council approval.
- Tenders awarded by Council.

Purchases of equipment requiring ongoing service arrangements, which is expected to be supplied within the immediate area, shall be exempted from the Provincial advertisement requirement, except where specialty equipment suppliers are generally located outside of the Valley region, or where Provincial purchasing regulations require advertising in the Chronicle Herald as the recognized Provincial Newspaper under the Atlantic Initiative Trade (AIT) agreement. (Dec 03/01)

6. All public tenders shall include the following:

**“The Town of Middleton reserves the right to reject any and all tenders, not necessarily accept the lowest tender, or to accept any tender which it may consider to be in its best interest. The Town also reserves the right to waive formality, informality or technicality in any tender proposal.”**

**“A price difference of 5% shall be considered for in-Town & immediate area suppliers, to a maximum of \$250.”**

7. Where service contracts are an integral part of cost consideration of capital purchasing, a service contract price request for a minimum term of three (3) years shall be included in the tender call. If a fixed price is not available for the three-year term, a fixed percentage discount will be accepted for each of the three years. Current year service contract price before discount shall be required to be stated in the tender.

All former purchasing policies and amendments thereto are hereby repealed.

**Note: Also see AIT agreements, limits, implications for Municipalities.**



## ***References***

- 1) AIT -Implications for Municipalities (see attached).

## ***Previous Policies***

The previous policy 1/36 “Purchasing Procedure Policy”, amended July 4, 2006, is hereby amended.

## ***Certification***

**THIS IS TO CERTIFY** that this policy was duly passed by a majority vote of the whole Council at a duly called Council meeting held on the 8<sup>th</sup> day of August, 2006.

**GIVEN** under the hand of the CAO and under the seal of the Town of Middleton this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Raymond C. Rice  
Chief Administrative Officer

### ***Agreement on Internal Trade (AIT) -- Implications for Municipalities***

1. Threshold for public tenders:
  - \$100,000 – goods or services
  - \$250,000 – construction
2. Each entity will need to establish rules and processes
3. Use of an electronic notice system required:
  - Can be own
  - The Province's
  - Merx
  - Other
4. Process must be open, fair, and not evaluate location of supplier
5. Dispute settlement processes will be available
6. Use of economic development exception will need to be coordinated with the province
7. Exceptions will need to be reported
  - Range of legitimate exceptions
  - Agreement does not apply to some things
  - Buying groups are covered



**REQUEST FOR DECISION**  
**Repeal of Internet, Email and PC Use Policy**  
**#018-2015**

Date: 15 July 2015	Subject: Repeal of Internet, Email and PC Use Policy
Proposal Attached: Yes	Submitted by: Rachel Turner, Chief Administrative Officer

Proposal:	That Committee of the Whole recommend to Council the repeal of Policy #D.3.5 – Internet, Email and PC Use.
Background:	Town Council recently approved a new Internet and Mobile Device Acceptable Use Policy in May 2015. At that time, #D3.5 Internet, Email and PC Use Policy became obsolete and/or redundant and now needs to be repealed.
Benefits:	Repeal of the former policy allows for clarification of which policy is current and in use.
Disadvantages:	
Options:	
Required Resources:	
Source of Funding:	
Sustainability Implications: (Environmental, Social, Economic and Cultural)	
Staff Comments/Recommendations:	
CAO's Review/Comments:	This is primarily a housekeeping item that should have been brought to Council at the same time as the approval of the newer policy.

CAO Initials: RLT

Target Decision Date: 8 September 2015

<b>TOWN OF MIDDLETON CODE D - PERSONNEL</b>			
<b>Subject: Internet, E-mail, &amp; PC Use</b>		<b>Number: 3.5</b>	
<b>Coverage: Staff &amp; Council</b>		<b>Approved by: Council &amp; CAO</b>	
<b>Effective Date : June 3, 2004</b>		<b>Revision Date: October 2, 2006</b>	

### ***Rationale***

The following policy sets the standards for appropriate behavior of a Town of Middleton employee while using Town IT equipment to ensure a healthy and productive workplace.

### ***Policy Statement***

- 1.0) This policy applies to all Town equipment that is used in communication through computer technology such as laptops, Palm Pilots and other record keeping or communication devices the Town provides. All material and actions performed on the Town's equipment belongs to the Town and can be used and accessed by the Town.
- 2.0) As a condition of providing PCs, Internet, and e-mail access to its employees, the Town of Middleton places certain restrictions on workplace use of PCs, Internet, and e-mail. The Town of Middleton encourages employee use of PCs, Internet, and e-mail:
  - 2.1) to communicate with fellow employees and other contacts regarding matters within an employee's assigned duties;
  - 2.2) to acquire information related to, or designed to facilitate the performance of regular assigned duties;
  - 2.3) to facilitate performance of any task or project in a manner approved by an employee's supervisor.
- 3.0) Items expressly prohibited by this policy are non-work related usage, including but not limited to the following:
  - 3.1) Dissemination or printing of copyrighted materials (including articles and software) in violation of copyright laws.
  - 3.2) Sending, receiving, printing or otherwise disseminating confidential information of the Town of Middleton.
  - 3.3) Offensive or harassing statements or language including disparagement of others based on their race, national origin, sex, sexual orientation, age, disability, religious or political beliefs.
  - 3.4) Sending or soliciting sexually oriented messages or images.
  - 3.5) Operating a business; or soliciting money for personal gain.
  - 3.6) Sending chain letters, gambling or engaging in any other activity in violation of law.
  - 3.7) E-mail and Internet messages and communication are not confidential or private, and, as a result, employees should use discretion in all communications. The Town will monitor e-mail, Internet use and other employee use of technology.

- 4.0) Disciplinary action for violation of Town of Middleton's Internet, E-mail and PC Acceptable Use Policy may include, but is not limited to suspension, or termination of the offending employee. In cases involving less serious violations, disciplinary action may consist of a warning or reprimand. In instances of violation of law, law enforcement authorities will be notified.
- 5.0) Remedial action may also include counselling, changes in work assignments, or other measures designed to prevent future misconduct. The measure of discipline will correspond to the gravity of the offence as weighed by its potential effect on the Town and fellow employees.

### ***Previous Policies***

The previous policy 9/27 "Internet, E-Mail and PC Acceptable Use Policy" passed by Council on June 3, 2004 is hereby amended.

### ***Certification***

**THIS IS TO CERTIFY** that this policy was duly passed by a majority vote of the whole Council at a duly called Council meeting held on the 2<sup>nd</sup> day of October, 2006.

**GIVEN** under the hand of the CAO and under the seal of the Town of Middleton this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Raymond C. Rice  
Chief Administrative Officer



**REQUEST FOR DECISION**  
**Chapter 19 Building Bylaw and Policy G.2.1 Fees-**  
**Building and Planning**  
**#019-2015**

Date: 15 July 2015	Subject: Amendments to Building Bylaw and Building and Planning Fees Policy
Proposal Attached: Yes	Submitted by: Sharon McAuley, Planning Services Coordinator

Proposal:	<p>That Committee of the Whole recommend that Council give first reading of Chapter 19 – Building Bylaw at the regular Council meeting scheduled for 8 September 2015;</p> <p>And,</p> <p>That Committee of the Whole recommend to Council approval of the amendments to the Fees – Building and Planning Policy, #G2.1, as presented.</p>
Background:	<p>Staff have been working on a long term solution of entering into a contract with the County of Annapolis to provide Building and Fire Inspection Services for the Town of Middleton. As a result, a review has been done of the above noted bylaw and policy to ensure they are current. To streamline processes and make things easier for both residents and staff who are providing these services, changes are proposed to bring both documents up to date and to have them mirror the terms and fees charged by Annapolis County.</p> <p>When reviewing the fees policy in particular, it appears that some of the fees that have been put in place for Middleton in the past are quite high, which can be a barrier for some residents as it relates to building or renovations. A jurisdictional scan was done to review what other surrounding municipalities were charging for development fees. In order to bring the Town of Middleton's fees in line with our neighbours and create a more level playing field, lower fees are being proposed for most permit types.</p> <p>With respect to the Building Bylaw, a good deal of administrative work is done each year to bring forward any permits that will expire, due to the current one year permit. The proposed changes eliminate that yearly work and put the onus on the applicant to begin work within six months of the permit being</p>

	<p>issued, and allowing the work to continue up to three years from the date of issuance. If the work is not started within the first six months, the permit automatically expires and the applicant must re-apply. The Town's solicitor has also reviewed the amended bylaw to ensure the interests of the Town are properly addressed and to ensure clarity within the bylaw.</p> <p>Both of these documents work together and give reference to the other, therefore they are being brought forward together.</p>
Benefits:	These newer proposed fees bring Middleton in line with our neighbours, which includes Kings, Annapolis and Digby Counties. This may encourage or facilitate some residents and businesses to complete renovations or new construction.
Disadvantages:	Charging lower fees may impact our revenue stream of user fees.
Options:	
Required Resources:	
Source of Funding:	
Sustainability Implications: (Environmental, Social, Economic and Cultural)	
Staff Comments/ Recommendations:	
CAO's Review/ Comments:	The Planning Services Coordinator completed the research on this matter and has discussed this with Annapolis County staff as well, to ensure that the proposed fees are appropriate. I support the approach that has been presented.

CAO Initials: RLT

Target Decision Date: 8 September 2015

**TOWN OF MIDDLETON  
CODE G - PLANNING**

<b>Subject: Fees – Building and Planning</b>	<b>Number: 2.1</b>
<b>Coverage: Staff &amp; Public</b>	<b>Approved by: Council</b>
<b>Effective Date :</b> November 1, 2004	<b>Revision Date:</b> Feb. 2, 2004; Feb. 5, 2007; May 5, 2008; March 2, 2015, <b>Sept. 8, 2015</b>

***Rationale***

The following policy establishes uniform fees for permits and services provided by the Town of Middleton, to enable some cost recovery for services provided.

***Policy Statement***

**1. Applications**

All Applications shall be accompanied by the necessary permit fees payable to the Town of Middleton.

**2. Development Permits & Planning Document Amendments**

The following schedule of fees shall be charged for development services provided by the Town of Middleton:

Development Permit fee	\$50
Municipal Planning Strategy and/or Land Use Bylaw amendment application	\$500 + \$500 (advertising fee)
Development Agreement applications	\$500 + \$500 (advertising fee) + registry fees
Minor Variances	\$400 + \$500 (advertising fee) + registry fees
Subdivision	Tentative: \$200 + registry fees Final: \$300 + registry fees
<b>Zoning Confirmation Letters</b>	<b>\$100</b>

**3. Building Permits**

3.1 Any construction requiring a building permit shall pay the appropriate fee laid out in the following table.

<b>Permit Type</b>	<b>Building Permit Fee</b>
New construction of, and additions to: <del>single detached residential dwellings</del> <b>buildings</b> , community centres, cottages and churches.	<del>\$100 + \$0.25 / sq. ft. (based on all useable floor areas of new construction or additions)</del> <del>— + \$0.15 / sq. ft for unfinished basement areas</del>  <b>\$25 + \$0.10/ sq. ft. (based on all useable floor areas of new construction or addition)</b>
<del>NEW CONSTRUCTION of, and</del>	<del>\$50 / unit + \$0.25 / sq. ft. (based on all useable</del>



Permit Type	Building Permit Fee
ADDITIONS to: other residential buildings not otherwise specified	floor areas of new construction or additions)
New construction of, and additions to: commercial, industrial and other buildings not otherwise specified.	<p><del>0—2,500 sq. ft.:</del>  <del>\$300 + \$0.25 / sq. ft. (based on all useable floor areas of new construction or additions)</del>  <b>2,501—10,000 sq. ft.:</b>  \$500 + \$0.25 / sq. ft. (based on all useable floor areas of new construction or additions)  <b>10,001—45,000 sq. ft.:</b>  \$2,500 + \$0.25 / sq. ft. (based on all useable floor areas of new construction or additions)  <b>45,001 + sq. ft.:</b>  \$5,000 + \$0.25 / sq. ft. (based on all useable floor areas of new construction or additions)</p> <p><b>\$25 + \$0.15/ sq. ft. (based on all useable floor areas of new construction or addition)</b></p>
New construction of, and additions to: sheds, decks, shell storage buildings, garages, barns and forestry or fishing buildings not designed for human occupancy.  <b>agricultural storage buildings.</b>	<p><del><b>Finished Interiors:</b></del>  <del>\$50 + \$0.35 / sq. ft (based on all useable floor areas of new construction or additions)</del>  <b>Covered Decks:</b>  \$50 + \$0.20 / sq. ft (based on all useable floor areas of new construction or additions)  <b>Other:</b>  \$50 + \$0.10 / sq. ft (based on all useable floor areas of new construction or additions)</p> <p><b>\$25 + \$0.06/ sq. ft. (based on all useable floor areas of new construction or addition)</b></p>
Repairs, renovations or alterations to all existing buildings.	<p><del>\$15 + \$4/\$1000 of estimated value of construction</del></p> <p><b>\$25 + \$1 per \$1000 of estimated value of construction work.</b></p>
REPAIRS, RENOVATIONS or ALTERATIONS to single detached residential dwellings, community centres, cottages and churches.	<del>\$100 + \$4 / \$1000 of estimated value of construction</del>
REPAIRS, RENOVATIONS or ALTERATIONS to other residential buildings not otherwise specified.	<del>\$50 / unit + \$4 / \$1000 of estimated value of construction</del>

Permit Type	Building Permit Fee
REPAIRS, RENOVATIONS or ALTERATIONS to commercial, industrial & other buildings not otherwise specified.	\$150 + \$6 / \$1000 of estimated value of construction
Location or re-location of an existing <del>building</del> STRUCTURE or MOBILE HOME	\$50
Construction or location of SWIMMING POOL including required fencing.	\$25
RENEWAL of an approved permit.	\$25
Change of occupancy classification	\$50 + \$1 per \$1,000 of estimated value of construction work.
DEMOLITION of building or structure.	\$25
PLUMBING Permit	\$10 / plumbing fixture

3.2 Square footage for the purpose of building permits shall be calculated as follows:

- a. buildings intended for human occupancy shall include all useable floor space (finished);
- b. buildings not intended for human occupancy shall be based on the area of the main floor.

~~3.3 Value of construction is based on contract. If no suitable written contract price is submitted with the application, the fee shall be based on \$60.00/ sq. ft. to establish the value of construction.~~

3.4 Permit fees shall be refunded in situations and proportions as follows:

- a. applications never completed, retained fee \$25, balance refunded,
- b. permit denied, retained fee \$25, balance refunded
- c. permit revoked or abandoned before work commenced, 50% of fee refunded,
- d. permit revoked or abandoned after work commenced, no refund.

#### **4.0 Other Fees:**

~~The following fees shall be charged for other services provided by the Town of Middleton:~~

Property Maps (8x11 or 11X17)	\$25
All other maps/prints	\$25
Mapping Inquiries (greater than 1 hr.)	\$50 / hr
General Research	\$50 / hr
Zoning Letters	\$100
Detailed property history	\$100
Subdivision by laws	\$10
Printing of digital building plans (max 24X36)	\$50

### ***References***

Town of Middleton - *Building Code Bylaw, Chapter 19, Part 2 - Permit Fees*

### ***Previous Policies***

The previous policy 1/73 “Town of Middleton - Fees Policy” Effective February 2, 2004 is hereby amended.

The previous policy 7/3 “User Fee Policy” Effective November 1, 2004 is hereby amended.

### ***Certification***

**THIS IS TO CERTIFY** that this policy was duly passed by a majority vote of the whole Council at a duly called Council meeting held on the 2<sup>nd</sup> day of March, 2015.

**GIVEN** under the hand of the CAO and under the seal of the Town of Middleton this 3<sup>rd</sup> day of March, 2015.

---

Rachel L. Turner  
Chief Administrative Officer

**CHAPTER 19**  
**BUILDING BYLAW**  
**TOWN OF MIDDLETON**  
**Building Code Act**

~~**BE IT RESOLVED** by the Town Council of the Town of Middleton, that the following bylaw be enacted and the Clerk file a copy in the Office of the Minister of Municipal Affairs pursuant to Section 7 of the Building Code Act, S.N.S. 1986, c.3.~~

**Be it enacted by the Town Council of the Town of Middleton, under the authority of the *Nova Scotia Building Code Act*, Chapter 46 of the Revised Statutes of Nova Scotia, 1989 and amendments thereto, as well as regulations passed pursuant to the *Act* and any amendments thereto, as follows:**

This Bylaw shall be known and cited as the “*Building Bylaw*.”

**Definitions**

1. Unless otherwise defined herein, terms used in this bylaw shall have the same meanings as those defined in the *Building Code Act* and the regulations prescribed pursuant thereto.
2. In this bylaw:
  - (1) “***Building Code Act***” or “***Act***” means Chapter 46 of the Revised Statutes of Nova Scotia, 1989, the *Building Code Act*, as amended;
  - (2) “***Town***” means the Town of Middleton; and
  - (3) “***Nova Scotia Building Code Regulations***,” “***Building Code***” or “***Regulations***” refers to regulations made pursuant to the *Building Code Act*.

**Application**

3. The Town is responsible for the administration and enforcement of the *Building Code Act* in the Town.
4. This bylaw applies to all construction or demolition or any stage thereof, and for occupancy and change of occupancy of a building located in the Town of Middleton.

**Permits**

5. A permit is required (the "Permit"), prior to commencing work, if work regulated by the *Building Code* is to be done.
6. In accordance with the *Building Code*, a Permit is required, prior to commencing work, for:
  - (1) the design, construction, erection, placement and occupancy of new buildings; and
  - (2) the alteration, reconstruction, demolition, removal, relocation, occupancy and change of occupancy classification of existing buildings in the Town.
7. Except as required by another enactment, a Permit is not required for:

- (1) accessory buildings not greater than 20 square metres (215.2 square feet) in area;
  - (2) interior and exterior non-structural material alterations and material repairs with a monetary value of five thousand dollars or less; or
  - (3) replacement or installation of a new plumbing fixture that does not increase the hydraulic load of the drainage system or require alterations to an existing water distribution system or drainage system.
8. A Permit shall expire three (3) years from the date of issuance and the Permit conditions shall no longer be valid.
  9. All Permit applications shall be signed:
    - (1) by the owner(s) of the property (relevant to the application); or
    - (2) by an authorized agent of the owner of a property provided that the owner of the property submits a signed letter appointing the agent; and
    - (3) any other person apparently having a legal interest in the property.
  10. An application for a Permit shall be in such form and contain such information as may from time to time be required for the proper administration of this bylaw.
  11. An application form must be completed and submitted in full before any Permit may be issued.
  12. When an application for a Permit has not been completed in conformance with the requirements of this bylaw within six months after it is filed, the application shall be deemed to have been abandoned.
  13. The Town may withhold the issuance of a building Permit until satisfied that any and all applicable provincial and municipal regulatory requirements have been met including, but not limited to, any requirements under a land use bylaw or subdivision bylaw.
  14. The issuance of a building Permit is not a guarantee that the proposed construction, demolition, or change of occupancy is in compliance with all or any other provincial regulatory requirements.

### **Permit Fees**

15. A building Permit fee will be charged to an applicant in accordance with Policy G.2.1 Fees – Building and Planning at it may be amended from time to time.
16. A portion of the Permit fees may be refunded as per Policy G.2.1 Fees – Building and Planning.

### **Inspections**

17. The owner of a building, or the authorized agent of the owner, shall notify the Building Official at least forty-eight (48) hours in advance to schedule a required inspection.
18. A Permit is deemed to have expired if an inspection is not completed prior to one year from the date of:

- (1) the issuance of the Permit; or
- (2) the last inspection

~~1.1 — A building permit, occupancy permit and demolition permit shall be in the forms set out in Schedule “A”, annexed hereto.~~

~~1.2 — Before a permit is issued, an applicant must complete an application form, which shall be appended in Schedule “A”, annexed hereto.~~

~~1.2.1 — Every application for a permit shall:~~

- ~~(a) identify and describe in detail the work and occupancy to be covered by the permit for which application is made;~~
- ~~(b) describe the land on which the work is to be done by a description that will readily identify and locate the building lot;~~
- ~~(c) include plans and specifications as required by the Building Code and show the occupancy of all parts of the building;~~
- ~~(d) state the valuation and square footage of the proposed work and be accompanied by the required fee; and~~
- ~~(e) state the names, addresses and telephone numbers of the owner, architect, professional engineer or other designer and constructor.~~

~~1.2.2 — When an application for a permit has not been completed in conformance with the requirements of this bylaw within six months after it is filed, the application shall be deemed to have been abandoned.~~

~~1.2.3 — A permit is valid for 1 year from the date of issue and is renewable.~~

~~1.3.1 — Before issuing a building permit, the authority having jurisdiction shall be satisfied that a development permit has been issued pursuant to the Land Use Bylaw of the Town of Middleton.~~

~~1.3.2 — Before issuing a demolition permit, the authority having jurisdiction shall be satisfied that the building is not subject to the provisions of a bylaw passed pursuant to the Heritage Property Act or that permission for the demolition has been obtained.~~

~~1.3.4 — A permit for a temporary building:~~

- ~~(a) shall state the date after which the conditions under which the permit is no longer valid;~~
- ~~(b) may be extended in writing.~~

~~1.3.5 — (1) Should a permit be issued for part of a building, the holder of the permit may proceed, but without any assurance that the permit for the entire building will be granted.~~

- ~~(2) Any permit issued for part only of a building shall be clearly marked as for part only, and shall also indicate that a permit for the entire building is not assured.~~
- ~~1.3.6 (1) A permit may be issued at the risk of the owner, with conditions to ensure compliance with the Building Code, to excavate or to construct a portion of a building before all the plans of the project have been submitted or accepted.~~  
~~(2) The permit shall be clearly marked "At Owner's Risk".~~
- ~~1.3.7 (1) A permit for a whole project may be issued conditional upon the submission of additional information prior to commencing the work for which the information is pertinent, provided that the information is of such a nature that withholding the permit until the information was available would delay the work unreasonably.~~  
~~(2) The condition shall be set out on the face of the permit.~~

## PART 2 — PERMIT FEES

~~Permit fees applicable to this bylaw shall be as approved by policy of Council from time to time.~~

## PART 3 — INSPECTIONS

- ~~3.1 The authority having jurisdiction shall be notified by telephone or mail at least 24 hours in advance and given an opportunity to inspect at the stages construction set out in Part 5 of the Provincial Building Code Regulations.~~

## PART 4 — COMING INTO FORCE

- ~~4.1 This bylaw shall have effect from and after April 1, 1987.~~

1. Date of First Reading
2. Date of advertisement of Notice of Intent
3. Date of Second Reading
4. Date of Publication of Notice of Passing

**THIS IS TO CERTIFY THAT** this bylaw amendment, of which the foregoing is a true copy, was duly passed at a duly called meeting of the Town Council by majority vote of the whole Council of the Town of Middleton on the \_\_\_\_\_ day of \_\_\_\_\_, 2015 .

\_\_\_\_\_  
Rachel L. Turner  
Chief Administrative Officer

**GIVEN** under the hand of the Chief Administrative Officer and under the corporate seal of the Town of Middleton this \_\_\_\_\_ day of \_\_\_\_\_ 2015 .

\_\_\_\_\_  
Rachel L. Turner  
Chief Administrative Officer





## **MAYOR'S REPORT JULY/AUGUST 2015**

July 6 <sup>th</sup>	Chaired monthly Council session
July 7 <sup>th</sup>	Attended Legacy 2017 meeting in Annapolis Royal
July 14 <sup>th</sup>	Interview for Middleton Fire Department video
July 17 <sup>th</sup>	Attended official opening of PeopleWorx, Marshall St.
July 18 <sup>th</sup>	Took part in HOVF Grand Street Parade
July 18 <sup>th</sup>	Attended Middleton Fire Department 125 <sup>th</sup> Anniversary Supper
July 20 <sup>th</sup>	Chaired Special Council session
July 20 <sup>th</sup>	Chaired monthly Committee of the Whole meeting
July 23 <sup>rd</sup>	Met with representatives from Community Services re: REN meeting
July 23 <sup>rd</sup>	Hosted Valley REN meeting
July 23 <sup>rd</sup>	Met with Lisa Gillis, Community Services re: Youth Program
July 26 <sup>th</sup>	Attended Senior's Picnic @ Centennial Park

---

August 5 <sup>th</sup>	Met with RCMP re: Police issues
August 10 <sup>th</sup>	Met with Bryson Crowell, Bruce Harkness re: Pegasus Boxing Club plans
August 13 <sup>th</sup>	Attended Valley REN "Meet and Greet" with Board of Directors
August 15 <sup>th</sup>	Brought congratulations and best wishes from the Town, to Albert and Bonnie Johnson re: 50 <sup>th</sup> wedding anniversary
August 16 <sup>th</sup>	Attended annual "Picnic in the Park"
August 17 <sup>th</sup>	Met with Regional Library Board CAO Ann-Marie Mathieu
August 17 <sup>th</sup>	Chaired monthly Committee of the Whole session
Sept. 4 <sup>th</sup>	Attended Tolbart Family Reunion Meet and Greet

Report of the Regional Emergency Management Coordinator  
Annapolis

July 28 Exercise Handshake

August 20 Valley Ex. Booth  
21 Valley Ex. Booth  
25 Exercise Handshake

Respectfully submitted,

David McCoubrey  
Regional Emergency Management Coordinator for Annapolis  
902-532-0258 (o)  
902-532-2096 (f)

Disclaimer: This electronic transmission and any documents or other writings sent with it constitute confidential information that is intended for the named recipient(s) only and which may be legally privileged. If you have received this communication in error, do not read it. Please reply to the sender by return e-mail and delete this message immediately. Any disclosure, duplication, distribution, or the taking of any action as a result of this communication or any of its attachment(s) by anyone other than the named recipient(s) is strictly prohibited.

**CORRESPONDENCE – JULY & AUGUST**  
(for September 8, 2015 Council Meeting)

The following items of correspondence are tabled for the Council's attention. A copy of any correspondence item listed, if not previously circulated, is available on SharePoint for interested members of Council:

1. A copy of the 2014/15 *Royal Canadian Mounted Police* "Year in Review".
2. A thank you note from Youth Ambassador, *Kyra Britney*.
3. A thank you note from Youth Ambassador, *Allyson Evans*.
4. A letter & pamphlet from *NS Provincial Lotteries & Casino Corp.*, on their 2014/15 Summary of Results.
5. A thank you letter from *Companion Animal Protection Society*, for the annual grant from the Town of Middleton.
6. A letter from *Patrick W. Smale* expressing his concern regarding the duration of the crosswalk signal on at the Main / Commercial Street intersection.
7. A letter from Board Members of the *Future View*, regarding the closing of the Future View Train Museum.
8. A letter from *Annapolis Valley Regional Library* clarifying the reported "overpayment" by municipalities served by AVRL.
9. A letter of introduction from *Zach Churchill*, the new Provincial Minister of Municipal Affairs.