

Procurement

Authority: Council

Effective Date: January 22, 2024

Date Approved by Council: January 22, 2024

Resolution No.: 10/01/24/SP

Future Review Date: 2028

Responsibility: Legislative Services

References: *Municipal Government Act* Sections 243, 248 and 249, New West Partnership Trade Agreement, Canadian Free Trade Agreement, Comprehensive Economic Trade Agreement, Delegation of Authority Policy, Procurement Procedures Manual

Replaces: Procurement & Expenditures C-FS-029 (2017)

1.0 Purpose: To establish a governance framework and address the legislative requirements for the procurement of goods and services for use by the Town.

2.0 Scope: This policy applies to procurement of goods and services by the Town.

3.0 Definitions:

Emergency – means an unforeseen situation or event where the immediate purchase of goods or services is essential to safeguard public health, public safety, property, or the maintenance of essential services.

MASH – means regional, local, district or other forms of municipal government, school boards, publicly-funded academic, health and social service entities, as well as any entity owned or controlled by any one of the preceding.

Procurement – means the acquisition by any means of goods or services for the provision of municipal services, including by purchase, rental, or lease.

Limited Tendering – means purchasing from a Vendor without a competitive process which may include: sole source, single source, unique supplier, cooperative purchasing, or emergency purchases.

Town – means The Town of Stony Plain.

Vendor – means any individual or organization, that may offer goods or services to the Town.

4.0 Statement: The Town is committed to treating all vendors equitably through procurement processes that ensure integrity, transparency, accountability, efficiency and consistency.

5.0 Standards: Procurement practices shall follow this Policy and be aligned with applicable Town administrative policies and procedures.

Open and Fair Competition

- 5.1 Procurement of goods and services shall be conducted in a fair, open and transparent manner, treating all vendors fairly, including dealing with vendor complaints, providing feedback to unsuccessful vendors upon request, and maintaining records on vendor's performance under contracts.
- 5.2 All procurement procedures and practices must be compliant with Trade Agreement(s), all legislation, regulations, Town bylaws, and other relevant sources of law applicable to MASH Sector entities.
- 5.3 Purchases shall be at the best value to the Town consistent with the required quality and service, and factors such as price, availability, warranties, quality and serviceability shall be considered in determining the best value to the Town.
- 5.4 The Town may consider and evaluate financial and non-financial factors throughout the competitive processes.

Ethical Practices

- 5.5 All specifications in procurement competitions shall be performance based, accurate, and clear.
- 5.6 Town employees involved in establishing the specifications of needed goods or services, or the evaluation of a procurement competition must remain free of any real or perceived conflicts of interest with any vendor or potential vendor. This includes refraining from providing preferential treatment, publicly endorsing Vendors or products and accepting gifts or favours over a nominal value in the regular course of business. If a potential conflict of interest exists, the employee shall advise their supervisor immediately.
- 5.7 Town employees will not use their public role to influence or seek to influence a Town procurement decision which could further a personal interest of the employee.
- 5.8 Council and employees are prohibited from purchasing items for personal use through any Town publicly funded purchase arrangement.

Confidential Information

- 5.9 The Town is committed to the protection of confidential information from unauthorized access or disclosure in compliance with the Town's obligations and duties under the *Freedom of Information and Protection of Privacy Act*, as amended.

Emergency Purchases

5.10 Emergency purchasing may occur when an unforeseen situation or event occurs which requires serious and immediate attention to safeguard public health, public safety, public property, or the maintenance of essential services.

5.10.1 Failure to adequately plan is not an Emergency.

5.10.2 Emergency purchases are to be completed in an expedient manner, however best value should be taken into consideration.

Limited Tender

5.11 With the prior written authorization of a General Manager, the Town may acquire goods or services through Limited Tender through the use of a co-operative purchasing agreement, through the use of a GoA standing offer, when there is only one available supplier of a required good, or in the event of an Emergency.

5.12 In no case shall limited tender procurements be used to avoid competition or discriminate between suppliers.

Purchasing

5.13 The Town may only make an expenditure that is included in the current year’s budget or approved by a resolution of Council.

5.14 Administrative powers to authorize spending, agreements and documents shall be outlined in the Towns’ Delegation of Authority Policy.

5.15 Notwithstanding 5.14, an employee with delegated authority may delegate procurement activities within the organization in accordance with approved delegation policies.

5.16 Summary of procurement process based on value:

Construction Values	Goods & Services Value	Process
\$0-\$9,999	\$0 - \$9,999	Direct Purchase
\$10,000 - \$199,999	\$10,000 - \$74,999	Informal Competitive Bidding Process
\$200,000 or greater	\$75,000 or greater	Formal Competitive Bidding Process

Exceptions

5.17 The requirement for an open competition may not apply to the purchase of:

- 5.17.1 Utility Contracts;
 - 5.17.2 Contracts or agreements pertaining to employee compensation, reimbursement, training, or education;
 - 5.17.3 Land Purchases;
 - 5.17.4 Matters of a confidential nature which may result in harm if published in an open procurement.
- 5.18 This policy does not apply to P-Cards, low dollar value purchases, purchase or sale of land, or legal services.
- 5.19 Notwithstanding the exception clauses in 5.18 or any exception outlined within the Trade Agreements, Town employees should ensure that the Town is achieving good value for all purchases.

6.0 Roles and Responsibilities

6.1 Town Manager

- a) Establish administrative policies and procedures for the procurement function in accordance with all applicable laws, trade agreements and regulations.
- b) Ensure organizational compliance with all procurement policies and procedures.
- c) Authorize purchase requests that fall within a limited tender process.

6.2 Divisions and Departments

- a) General Managers are accountable for the purchasing activities and decisions exercised by the delegate to which they have granted the purchasing authority.
- b) General Managers, Managers and Supervisors monitor the procurement activities of their department to ensure compliance with this policy and related procedures.
- d) Only Employees who have been delegated Procurement authority may initiate a Procurement, and only then if there is sufficient funding for the Procurement within the departmental budget or by Council approval.
- e) Every Employee who is engaged in a Procurement is responsible for complying with this policy and related procedures.
- f) General Managers, Managers, and Supervisors are responsible for monitoring Vendors under their area of responsibility and ensuring ongoing compliance with all Town policies and procedures.

6.3 Legislative Services

- a) Administer and manage the Town's decentralized procurement program.
- b) Provide advice and assistance to employees on procurement related activities as per approved Town policies and procedures.
- c) Notify the appropriate Manager of any situation that may be unethical, illegal, and non-compliant with this Policy, related Procedures, or places the Town in a position of

unacceptable risk. If the issue remains unresolved, advise the appropriate General Manager and the Town Manager.

Policy Review: This Council policy shall be reviewed within four years of being implemented, with any changes being submitted to Council for approval.