

Department: County Manager	Section: GS - Government Services
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GS-09 Municipal Purchasing

Policy Statement

Leduc County is committed to purchasing services and goods in a fair and ethical manner. Leduc County is committed to making the best business decision(s) for the benefit of Leduc County ratepayers.

Purchasing Authority

The County Manager or Senior Manager will approve all County purchases unless authority has been delegated to other members of staff in writing. The dollar limits are as specified below.

A copy of this written authority will be provided to the County Manager and to the Director of Finance for the Accounts Payable Clerk.

Purchases must be included in the current year's budget, or interim budget, or as otherwise approved by Council.

General Statements

All applicable legislation is to be observed, including but not limited to the Municipal Government Act, the Freedom of Information and Privacy Act, Agreement on Internal Trade, the New West Partnership Trade Agreement (NWPTA) and advertising through the Alberta Purchasing Connection. The NWPTA applies to all government procurement. It requires open and non-discriminatory procedures where the anticipated costs are at or above the following thresholds:

- \$75,000 or greater for goods
- \$75,000 or greater for services
- \$200,000 or greater for construction

Purchases through the AAMDC Purchasing Arrangement will be made, if it is determined to be the best business decision. A list of suppliers is available in the Accounting Department.

Payments for goods or services will be made when the County is satisfied that the good(s)/services provided meet the specification.

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Monetary Guidelines Regarding Purchasing

LEVEL	APPROVAL AUTHORITY	DELEGATION
I: Lower value acquisition - \$500 or less. Lower value buying normally relates to miscellaneous purchases of goods and services and may be conducted with telephone solicitation. Two or three telephone quotations should be obtained where appropriate and with applicable notes recorded.	County Manager Deputy County Manager Department Heads	Yes, at discretion of Approval Authority
II: Purchase of more than \$500 but less than \$5,000. All purchasing activity for the acquisition of goods or services having an estimated aggregate value of more than \$500 but less than \$5,000 require documented telephone solicitation from a minimum of two potential suppliers.	As per Level 1	As per Level 1
III: Purchases of \$5,000 and higher, but less than \$25,000. All purchasing of goods or services having an estimated aggregate value of \$5,000 or more or less than \$25,000 shall require written bids or quotations from a minimum of three potential suppliers.	As per Level 1	Yes, at discretion of Department Head - one level down only
IV: Purchases of \$25,000 or higher. All purchases of goods or services \$25,000 or higher will be carried out by a competitive process of one on the following: Tender(s), Request For Proposals, Request for Quotation: \$25,000 to \$100,000 Greater than \$100,000	Senior Manager responsible for Project Management County Manager, Deputy County Manager	No

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All purchases of \$100,000 or greater in the case of goods or services or \$250,000 or greater in the case of construction will require the approval of Council or specific Council delegated authority which are the Public Works Committee, Agricultural Service Board or Water Management Committee prior to signing authority at Level IV.

The Manager of Maintenance and Supply has authority to exceed the Monetary Guidelines Regarding Purchasing with respect to the Regional Purchasing Group's award to the successful fuel supplier.

In some cases, the County purchases certain services and goods through one company, without obtaining prices from several sources. This arrangement is established due to the uniqueness, quality and/or type of services or goods provided by the contractor/company. Periodically the County will review these arrangements to ensure quality service(s)/good(s) are being provided and the County is receiving competitive pricing. This arrangement of selective purchasing is required to ensure County business is conducted efficiently and effectively.

Each Senior Manager, on an annual basis, will maintain a tracking mechanism to document why it is using a certain service or good provider and when it will periodically review the use of a certain provider.

Tenders

The "Tender" process should be used when price is the main award factor, providing all specifications, terms and conditions have been satisfied. There is to be no negotiation after closing.

All tenders must include the date and time of the competition closing.

All tenders must indicate that submissions are to be sealed and delivered to the address specified, with the content clearly noted.

All tenders are to be dated and time stamped upon receipt at the location specified and are to remain unopened until the closing time for that competition has passed.

Any submissions which are received after the closing date and time are to be returned unopened to the originator. Such submissions may be opened solely to determine the return address of the submission.

It is the responsibility of the vendor to ensure their bid has been received into competition without exception.

Electronic transmission tenders will not be accepted unless otherwise stated.

All tenders shall be subject to public opening. The time, location and conditions of the public opening shall be made known in advance and shall be contained in the competition documentation provided to potential suppliers. The department who the tender belongs to shall invite a Council representative (Chair, Vice-chair or Council liaison) of the board/committee to the public tender opening and further, administration shall ensure that no tender openings shall be conducted while Council is away at Conferences.

Only the name of the supplier and the total cost or price in the submission are to be released during a public opening and thereafter.

The lowest or any tender will not necessarily be accepted.

The following criteria may be considered when a tender decision is made:

- price
- availability
- capability to perform work
- brands

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- past experience with bidder
- warranties
- result of reference check
- expertise in product/service area
- information relating to financial state of bidder
- quality
- length of construction period
- support and service availability
- specific time for construction
- resale value of goods/equipment

The tender will be an irrevocable bid by the vendor

To assist Leduc County in having a good defense in case of a “legal” challenge to a tender procedure, including the following clause, in advertising and tender packages will assist.

Leduc County reserves the right to accept or reject any or all tenders and to waive irregularities and informalities at its discretion. Leduc County reserves the right to accept a tender other than the lowest tender.

Without limiting the generality of the foregoing, Leduc County may consider any other factor besides price and capability to perform the work that it deems in its sole discretion to be relevant to its decision, including but not limited to the following:

- a) Any past experience with the Bidder, or lack thereof;
- b) the results of any reference check done by Leduc County;
- c) information relating to the financial state of the bidder, however obtained;
- d) list other criteria Leduc County deems appropriate.

The Administration will determine if the Tender is to be by open or invitational tender, depending on Department circumstances and pertinent Legislation and the Internal Trade Agreement.

If Leduc County wishes to rely on selection criteria other than price, that criteria should be specified.

Detailed criteria for tender submissions will be prepared by the pertinent senior manager or his/her designate.

Request for Quotations

The “Request for Quotations” process is normally used where cost and other factors are considered in the award. Specifications may not be conclusive and an element of review is required to ascertain lowest net cost and appropriate quality prior to award. Quotations are open to review with the vendor. Electronic submissions will be accepted.

If a closing date (and time) is provided for “RFQ”, submissions after this date (and time) will not be accepted.

Request for Proposals

The “Request for Proposals” process may be used as an alternative to the tender process, normally for the provision of services or completion of a given project. This method provides the vendor with an opportunity to bid on work or service using their unique skills.

Specifications are general in nature. The selection of the successful supplier is based on Leduc County’s appreciation of the proposal and the supplier’s ability to complete the project or provide the service. Electronic submissions will be accepted.

If a closing date (and time) is provided for “RFP”, submissions after this date (and time) will not be accepted.

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Monitoring & Updating

This policy should be reviewed every two years.

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