

<b>Department:</b> <b>Government Services</b>	<b>Section:</b> <b>CM – County Manager</b>
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## CM-05 Procurement Policy

### Policy statement

Leduc County commits to acquiring goods and services in a fair and transparent manner, at the best value to align with the needs and requirements of the organization while adhering to applicable legislation.

### Definitions

- *Administration* means the employees of Leduc County under the direction of the County Manager.
- *Award* means the selection of a vendor to provide goods and/or services to the County.
- *Best value* means relevant financial and non-financial factors, which may include but are not limited to; cost, quality of goods and services, delivery, supplier experience and performance and risk.
- *Capital purchase* means the purchase of an item identified in the County's capital budget.
- *Competitive method* means an open, invitational or limited competition to provide goods or services to the County. Examples are request for proposals, requests for information and request for tenders.
- *County* means the municipal corporation of Leduc County.
- *Emergent need* means when a lack of immediate action would jeopardize operations or equipment, disrupt critical public services or involves an imminent threat to public or staff safety.
- *Goods* means a tangible thing, excluding land that is used in municipal operations.
- *Multi-year commitment* means a project that spans over one calendar year and requires a multi-year agreement.
- *Non-competitive method* means a procurement process where a vendor is selected without conducting a competitive process.
- *Operating purchase* means a purchase of a good or service identified in the County's operating budget.
- *Posted* means the act of advertising procurement opportunities to vendors through the Government of Alberta's Alberta Purchasing Connection website and the County's website.
- *Procurement* means the acquisition by any means, including by purchase, rental, or lease of goods and services.
- *Project* means a one-time capital or operating purchase initiative included within the County's Major and Capital Project Plans within the annual budget.
- *Public opening* means a scheduled time when the public can view the opening of request for proposals and tenders submissions.
- *Services* means the action of helping or doing work that is supplied to the County.

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**Policy authority**

Procurement activities must adhere to the following laws, regulations, standards and trade agreements, including, but not limited to:

- Legislative implications:
  - Municipal Government Act (MGA) and Regulations
  - Freedom of Information and Protection of Privacy Act (FOIP) and Regulations
- Trade agreement implications:
  - Canadian Free Trade Agreement (CFTA) – All Canadian Provinces and Territories
  - New West Partnership Trade Agreement (NWPTA) – Alberta, British Columbia, Saskatchewan
  - Trade, Investment and Labour Mobility Agreement (TILMA) – Alberta, British Columbia
- Policy implications
  - FS-05 Signing Authority Policy
  - IM-01 Information & Records Management Policy
  - CM-06 Land Acquisition Policy

**Policy standards**

1. All expenditures will be included in the current year’s budget or be approved by a resolution of Council.
2. For purchases of an emergent nature, the County Manager may approve the selection of vendor(s) utilizing a procurement method not specified in this policy.
3. Multi-year commitment requires a resolution of Council before an agreement is signed.
4. Competitive methods of procurement will be posted on the Government of Alberta’s Alberta Purchasing Connection website and the County’s website.

**Policy exemption**

1. Procurement of land for municipal purposes is governed by policy CM-06 Land Acquisition and is not contemplated within this policy.

**Procurement methods**

Administration will utilize the following methods:

1. Competitive methods:
  - Request for information (RFI) – process used to gather information to help make a decision on the next steps that should be taken by the County.

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- Request for Proposal (RFP) – process used for the provision of services or completion of a given project which provides the vendor with an opportunity to bid on the work or service using their unique skills where price may not be the primary factor in evaluation. There will be a public opening for request for proposal’s submissions for capital purchases.
- Request for Tenders (RFT) – process used when price is the main award factor once submissions are determined to be technically compliant. There will be a public opening for request for tender’s submissions.

2. Non-competitive methods:

- Negotiated methods:
  - i. Telephone solicitation – process used to call potential vendor(s) to obtain a verbal quote for goods and/or services.
  - ii. Written quote – process used to obtain a written quote from potential vendor(s) for goods and/or services.
- Selective method:  
In some cases, the County may procure 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 company. Periodically, the County will review these arrangements to ensure quality standards are maintained and pricing remains competitive.
- Request for pre-qualification (RFPQ) – process used to select a vendor based on qualifications rather than price.

**Procurement process**

Types of purchase	Value of goods and/or services	Procurement method
Operating	Below \$500	• Non-competitive – Negotiated method - telephone solicitation
Operating	Below \$25,000	• Non-competitive – Negotiated method – written quote(s)
Operating and Capital	Over \$25,000 and up to \$75,000	• Competitive method; or • Non-competitive – Selective method
Operating and Capital	Over \$75,000 and up to \$100,000	• Competitive method; or • Non-competitive – Selective method with Request for pre-qualification
Operating and Capital	Over \$100,000	• Competitive method

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**Procurement authorities**

1. Authority for signing agreements for the procurement of goods and/or services are as follows:
  - County Manager or designate – any purchase agreement within the approved budget.
  - Deputy County Manager – any purchase agreement within the approved budget up to a value of \$1,000,000.
  - General Manager – any purchase agreement within the approved budget up to a value of \$500,000.
  - Directors – any purchase agreement within the approved budget up to a value of \$100,000.
  - Managers – any purchase agreement within the approved budget and their individual signing authority limit but may not exceed the value of \$50,000. The Director assigns the authority limit for each manager.
  - Employees – any purchase agreement within the approved budget and their individual signing authority limit but may not exceed \$5,000. The Director assigns authority to select staff and establishes an appropriate limit.

**Policy responsibilities**1. Council responsibilities

Council will:

- Approve the policy.
- Approve the County's annual budget.

2. Administration responsibilities

County Manager or designate will:

- Direct administration to develop the necessary administrative directives and procedures to implement this policy.
- Ensure that expenditures incurred by the County are authorized in the annual budget or approved by resolution of Council.
- Ensure compliance to this policy.

Directors will:

- Develop the necessary administrative procedures to implement this policy.
- Ensure that expenditures incurred by their department are authorized in the annual budget or approved by resolution of Council.
- Ensure department compliance to this policy.

**Monitoring and updating**

1. This policy will be posted on Leduc County's website.
2. This policy will be reviewed at least once every four (4) years.

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