



Policy:	C35 – Procurement
Policy Department(s):	Financial Services – Business Advisory Services
Adoption Date:	March 30, 2015
Adoption Reference:	CM20150330.1011
Effective Date:	March 30, 2015
Last Amended:	November 28, 2022

Policy Purpose

To provide a framework for the County's procurement process to address the acquisition of all goods, services, and construction works, (including contract, purchase, or lease), that utilizes County funds to ensure:

- increased efficiency, economy, and flexibility in the County's procurement activities;
- that effective broad-based competition is fostered from all segments of the supplier community;
- public access to the County's contracting information;
- the integrity of the procurement system to safeguard and protect against corruption, waste, fraud, abuse; and
- compliance with specific provisions of relevant legislation or trade agreements.

Policy Statement

The County is committed to following generally accepted procurement practices to ensure that goods, services, and construction works are acquired through an ethical, open, transparent, consistent and competitive process that uniformly balances the stewardship of public funds with the fair and equitable treatment of suppliers.

Definitions

"Advertising Locally" means the act of advertising for a minimum of one issue in a newspaper that has general circulation in the County and/or posted on the County's website.

"Bid" (Also termed "Proposal, Submission or Response") means the offer provided by potential suppliers to the County in response to a competitive solicitation.

"Bidder" (Also termed "Respondent or Proponent") is a potential supplier of goods, services or construction that submits a proposal to the County in response to a competitive solicitation.

"Capital Assets" means all non-construction projects and purchases resulting in a tangible capital asset, including the purchase of vehicles, heavy equipment, and other capital goods.



“Construction” means a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the Construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work. It includes roads and infrastructure construction (water, sewage, landfills, buildings, site improvements, etc.), which would result in a tangible capital asset.

“County” means the municipality of the County of Grande Prairie No. 1 having jurisdiction under the Municipal Government Act and other applicable legislation.

“Emergency situation” means a serious, unexpected, and often dangerous situation requiring immediate action.

“Formal Procurement Process” means the use of an RFx to acquire a good, service or construction.

“Posting” means the act of advertising County purchasing opportunities to vendors using a variety of electronic and non-electronic means.

“Procurement” means the purchase, rental, leasing, or otherwise obtaining any supplies, services, or construction; includes all functions that pertain to the procurement, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration and also includes the combined functions of purchasing, risk mitigation, cost savings, ongoing supplier relationships, increasing value, salvage and disposals.

“Procurement Method” means all of the methods as outlined in item 2, *Acceptable Procurement Methods*.

“Professional Services” means services provided by consultants, frequently holding professional certifications, and typically involving knowledge-based deliverables.

“RFx” is the term used to collectively refer to the body of generally accepted formal solicitation methods of acquiring a good, services or construction as outlined in item 2, *Acceptable Procurement Methods*.

“Services” means all professional, non-professional services or construction as defined in this policy.

“Third Party” means someone who may be indirectly involved but is not a principal party to an arrangement, contract, deal, lawsuit, or transaction.

Policy Guidelines

1. The County is bound by the terms of the solicitation to deal fairly and equally with all bidders regarding those terms, including following the evaluation process as stated.



2. Acceptable Procurement Methods include:

Type	Overview
Non-Competitive	<ul style="list-style-type: none">• Direct purchase of Goods or Services below \$7,000.
Simplified Process	<ul style="list-style-type: none">• When quotes from Vendors are required prior to purchasing the good, service or construction.• The number of required quotes for purchase type is based on the thresholds outlined in Schedule A. – Procurement Processes and Authorities.
Sole Source	<ul style="list-style-type: none">• When there is only one available Vendor of a required Good, Service or Construction.• During and emergency situation (i.e. fire, flood) where time is of the essence.
Expression of Interest (EOI)	<ul style="list-style-type: none">• When the number of Vendors, market size or the approach to solving a problem is largely unknown• When both the County and potential Vendors would benefit from sharing information so that Vendors can better understand the County's needs and the County can better understand how to frame those needs• May be used to prepare a short list of the most qualified Vendors that will subsequently be invited to submit a proposal or Tender
Request for Prequalification (RFPQ)	<ul style="list-style-type: none">• Used to identify a list of potential Vendors who meet the criteria to be on the County's Vendor of Record (VOR) list• Typically used on large, high risk construction projects
Request for Proposal (RFP)	<ul style="list-style-type: none">• Criteria are less defined or no clear standard exists.• Evaluation criteria are based on best value instead of focus on lowest price.



Type	Overview
Request for Quotation (RFQ)	<ul style="list-style-type: none">• Can be used to acquire Goods or Services below \$75,000 or Construction below \$200,000 as outlined in applicable trade agreements.• Contract requirements are well defined• Terms and conditions do not exceed 1 year
Request for Tender (RFT)	<ul style="list-style-type: none">• Primarily used for Construction and other high value Procurements• Scope is well defined/ clear standards• Main criteria for evaluation are price and bidder qualifications

Other considerations

3. All purchases must be:
 - 3.1. Included in the current year's budget, or
 - 3.2. Otherwise approved by County Council, or
 - 3.3. In accordance with Policy C19 – Unbudgeted Expenditures.
4. In no case shall Sole Source Procurement be used to avoid competition or discriminate between Vendors or as a time management solution. Every reasonable effort should be made to ensure Procurement activities are in the best value and interest of the County.
5. As outlined in Policy C19 – Unbudgeted Expenditures, any and all expenditures that exceed the budgeted amount, must be presented to County Council for approval.
6. Purchase and contract/agreement approval shall be in accordance with the "Signing and Approving Authority" policy.
7. Where practical, the estimated total cost of the overall purchase shall prevail in determining the process versus individual cost estimates. The exception to this is during emergency situations at which time Policy C9 – Unbudgeted Expenditures will apply.
8. Information outlined in Schedule A – Procurement Processes and Authorities will be used to determine the type of process to be followed.
9. The County's Procurement Manual is the reference document used to provide instruction, information and to guide the County's procurement activities. It establishes the minimum requirements consistent with recognized best practices and serves as a reference for County procurement activities.

Acquisition Methods and Purchasing Process

10. All purchasing of goods, services and construction shall be as outlined in the Procurement Policy and Procurement manual.



Pecuniary Interest

11. County employees are bound by Policy L7, Section 17 “Conflict of Interest.” In particular:
 - 11.1. No employee of the County or partnership of which an employee is a member may submit a response to an RFX issued by the County for the supply of goods, services or construction works to the County.
 - 11.2. Any corporation (other than those whose shares are publicly traded) submitting a response to an RFX issued by the County must disclose the names and number of shares held by any shareholder who is also an employee of the County.
 - 11.3. No employee of any department will make any recommendations regarding the awarding of any RFX when the employee is a member of the immediate family of any individual who is:
 - 11.3.1. submitting a response to a County-issued RFX;
 - 11.3.2. a shareholder or employee of a company submitting the RFX; or
 - 11.3.3. a member or employee of any partnership submitting the RFX.

Award Exceptions

12. In order to protect the overall County interests and minimize long term financial losses, notwithstanding anything to the contrary in this Policy the County reserves the right to not consider award of any agreements to a party:
 - 12.1. that is engaged in litigation or arbitration with the County of Grande Prairie, or
 - 12.2. that receives a grade of “Non-Compliant” on any Vendor Performance Report Card completed by the County.

Attachments

Schedule A – Procurement Process Selection Guideline

References

Legal Authorities	Municipal Government Act, RSA 2000, c M-26 Canadian Free Trade Agreement (CFTA), Chapter 5 Comprehensive Economic Trade Agreement (CETA), Chapter 19 Freedom of Information and Protection of Privacy Act (FOIP) New West Partnership Trade Agreement (NWPTA), British Columbia, Alberta and Saskatchewan Occupational Health and Safety Act
--------------------------	---



Procurement

Financial Services – Business Advisory Services Policy C35

	Records Management Act
Related Plans, Bylaws, Policies, Etc.	Policy B1 – Policy Development Policy C19 – Unbudgeted Expenditures Policy C22 – Disposal of Surplus Assets and Goods Policy C31 – Budget Development Policy C39 – Asset Management Policy I9 – Signing and Approving Authority Administrative Directive FN4 – Equipment Replacement
Other	Procurement Manual

Revision History

Review Date	Description
November 28, 2022	Reviewed, Amended and Transferred from Corporate Services (I4) to Financial Services (C35) CM20221128.019
December 16, 2019	Reviewed and Amended CM20191216.042
August 3, 2019	Reviewed and Amended CAO Approval
July 3, 2019	Reviewed and Amended CAO Approval
August 27, 2018	Reviewed and Amended CM20180827.1002
March 30, 2015	Adoption Date CM20150330.1011



Schedule A – Procurement Processes and Authorities

Types of Purchase	Purchase/Contract Value (Excluding GST)	Process
Operating	Under \$7,000	<u>Non-competitive Process</u> <ul style="list-style-type: none"> • Direct purchase at discretion of Director • If asking for quotes, simplified, Non-competitive process
Operating & Capital (excludes construction)	\$7,000 to under \$50,000	<u>Simplified Process</u> <ul style="list-style-type: none"> • Minimum two quotes • If complex, highly technical or politically sensitive, then use the Informal, Competitive process and contact the Procurement Advisor.
Operating & Capital (excludes construction)	\$50,000 to under \$75,000	<u>Simplified Process</u> <ul style="list-style-type: none"> • Minimum three quotes • Contact Procurement Advisor for appropriate competitive method. • Local advertising, may be required
Construction	Under \$75,000	<u>Simplified Process</u> <ul style="list-style-type: none"> • Minimum three quotes • If complex, highly technical or has the potential to create public concern, contact the Procurement Advisor. • Local advertising, required
Operating & Capital (excludes construction)	Over \$75,000 and below \$200,000	<u>Formal Procurement Process (RFx)</u> <ul style="list-style-type: none"> • National online bid solicitation posting may be used if beneficial
Construction	\$75,000 and below \$200,000	<u>Formal Procurement Process (RFx)</u> <ul style="list-style-type: none"> • Contact Procurement Advisor (or designate) for appropriate Procurement Method. • Local Advertising Required. • National online bid solicitation posting
All Purchases	\$200,000 and over	<u>Formal Procurement Process (RFx)</u> <ul style="list-style-type: none"> • Contact Procurement Advisor (or designate) for appropriate Procurement Method. • Local Advertising Required. • National online bid solicitation posting