


Function: Corporate Services - 03
Department: Finance - 050
Policy No.:014



Purchasing and Tendering Policy

Effective Date: April 23, 2020
Review Date: April 23, 2023
Cancel: Policy 03-050-012 Purchasing/Tendering Policy
Resolution #: 213-2020

CAO Signature: 

Purpose: The Lac Ste. Anne County Council has a responsibility to maximize the value of the property tax revenue when purchasing goods and services for use by the County. The Council recognizes that it is in the best interest of the region to encourage local supply of required goods and service and therefore recognizes the importance of purchasing from suppliers within the corporate boundaries of the County where costs and quality are competitive and comparable. The Council also recognizes its obligations under the Canadian Free Trade Agreement and the New West Partnership Trade Agreement, whereby Council shall treat suppliers from another province the same as they treat local suppliers and may have an open tendering practice for purchases over the thresholds of \$75,000.00 for goods & services and \$200,000.00 for construction. When circumstances warrant County Council, by resolution, shall have discretion to purchase goods and services by any method deemed appropriate.

Guidelines:

Guidelines and Objectives:

1. Depending upon availability, where costs and quality are competitive, goods and services with an aggregate value of five thousand dollars or less should be purchased within the County and would not generally require quotations or tenders.
2. The purchase of goods and/or services with an aggregate value of greater than five thousand dollars and under twenty thousand dollars shall be purchased by either soliciting quotations or the more formal tendering process, either open or invitational tendering, which may be at the discretion of Council.

3. The purchase of goods and/or services with an aggregate value of greater than twenty thousand dollars shall be purchased by either soliciting quotations or the more formal tendering process, open to all bidders.
4. Sealed tenders or quotations will be accepted from members of Council within the parameters established by the Municipal Government Act or other legislation governing conflict of interest.
5. Sealed tenders or quotations will not be accepted from employees of the County.
6. Subject to the requirements and applicable exceptions available to the County under the Canadian Free Trade Agreement and the New West Partnership Trade Agreement:
 - (a) Sealed tenders and quotations for purchases under thresholds of \$75,000.00 for goods and services and \$200,000.00 for construction will only be accepted from individuals, companies, and organizations, such as the Alberta Rural Municipalities Association (RMA) Approved Supplier listing, that have operated and/or resided in the Province of Alberta for a minimum of twelve months prior to the closing date of the tender or quotation. The County may accept such tenders from individuals, companies, and organizations residing out of Province, in its discretion.
 - (b) Sealed tenders and quotations for purchases over thresholds of \$75,000.00 for goods and services and \$200,000.00 for construction will be accepted from individuals, companies and organizations from within and outside the Province of Alberta.
 - (c) Sealed tenders and quotations for purchases under thresholds of \$75,000.00 for goods and services and \$200,000.00 for construction will be accepted from individuals, companies and organizations residing out of Province, if there is not more than one supplier within the Province.
7.
 - (a) Sealed tenders or quotations that have an aggregate value greater than one thousand dollars, may require any or all of the following: Bid Bond, Labour and Materials Bond, Performance Bond.
 - (b) Projects may require a bid bond of 10 percent (10%) of the contract bid. No need to restrict to transportation only.
8. A Bank Draft, Official Cheque, Certified Cheque or Certified Irrevocable Letter of Credit may be accepted as an alternate to Bonding.
9. Contracts will only be awarded to Bidders who, prior to the time fixed for receiving tenders, possess a Certificate of Recognition (COR) which is relevant to their industry and which is recognized by Alberta Human Resources and Employment, Workplace Health and Safety.
10. Each tender or quotation shall specify a delivery or start date and/or completion date if applicable. Absent special circumstances, the County will not prepay for any goods or services until the County has either obtained possession of goods (or services have been

provided), or has obtained an ownership or appropriate security interest in the applicable goods being purchased.

11. The County reserves the right to accept or reject any or all tenders or quotations and to waive any and all irregularities and formalities at its discretion. The County also reserves the right to pre-qualify any projects. The lowest or any tender or quotation will not necessarily be accepted.

12. **Disqualification:**

12.1 For the purposes of this section, “Bidder” and “Supplier” shall be deemed to include any related entity and any partner, principal, director or officer of such Bidder or Supplier as well as any other legal entity with one or more of the same partner(s), principal(s), director(s) or officer(s).

12.2 A Bidder or Supplier may be excluded from eligibility to submit a bid, proposal or quote or a submitted bid, proposal or quote may be summarily rejected and returned to a Bidder or Supplier where the County determines, in its absolute sole discretion that one of the following circumstances has occurred:

(a) the Bidder or Supplier is or has been involved in litigation with the County, its elected officials, or employees;

(b) the Bidder or Supplier has failed to pay an amount owed to the County when due and owing;

(c) there is documented evidence of poor performance, nonperformance or default by the Bidder or Supplier in relation to any contract with the County or goods, work or services otherwise provided to the County;

(d) the Bidder, Supplier or its personnel have demonstrated abusive behaviour or threatening conduct towards County employees, their agents or representatives;

(e) the Bidder or Supplier has been convicted of a criminal offence including but not limited to fraud or theft; or

(f) the Bidder or Supplier has been convicted of any quasi-criminal offence pursuant to applicable legislation or regulations including but not limited to the Occupational Health and Safety Act, where the circumstances of that conviction demonstrate a disregard on the part of the Bidder or Supplier for the health and safety of its workers, County employees or the general public.

12.3 In arriving at a determination for the disqualification of a Bidder or Supplier pursuant to this section, the County will consider whether the circumstances are likely to affect the Bidder or Supplier's ability to work with the County, its consultants and representatives, and whether the County's experience with the Bidder

or Supplier indicates that the County is likely to incur increased staff time and/or legal costs in the administration of any dealings with the Bidder or Supplier.

12.4 Based on the severity of the events leading to the disqualification, the County shall establish the duration of the period during which the disqualification shall be effective.

12.5 In the event the County concludes that a Bidder or Supplier should be disqualified pursuant to this section, it shall first provide written notice to the Bidder or Supplier indicating the County's intention to disqualify the Bidder or Supplier, its reasons for doing so, and the duration of the intended disqualification. Such notice shall indicate that the Bidder or Supplier will have a period of at least fourteen (14) days to respond to such notice in writing, setting out (if the Bidder or Supplier so chooses) any reasons it opposes or disputes either the disqualification or the duration of the disqualification.

12.6 Any notice of appeal from an affected Bidder or Supplier received by the County within the time frame set out in section 12.5 of this Policy shall be reviewed and considered by the CAO, who may either uphold, overturn, or vary the terms of disqualification. Any such decision will be final and not subject to further appeal, and will be communicated in writing to the Bidder or Supplier.

Operational Procedures:

1. Advertisements inviting Sealed Tenders or Quotations may be placed in the newspapers as deemed necessary.
2. Advertisements inviting Sealed Tenders or Quotations for purchases over thresholds of \$75,000.00 for goods and services and \$200,000.00 for construction will be placed on the Alberta Purchasing Connection internet based national electronic tendering system or an alternate method of advertising that meets the requirements of the North West Partnership Trade Agreement.
3. Tender documents may be available for pick up at the County office in Sangudo.
4. Tenders/Quotations will be opened in public on an advertised date and time.
5. A minimum of two County employees and/or two County Councillors will be present at the Tender/Quotations opening.
 - (a) one will open the envelope and attach the bid bond cheque to the tender/quotation and will read out the bidder's name, address and quotation.
 - (b) The second will record the information.
 - (c) Tenders/Quotations will only be accepted on the form provided by the County (if applicable).
 - (d) Original tenders/quotations are preferable however, faxed copies will be accepted. Altered tender/quotation forms will not be accepted.