

	COUNCIL POLICY	
	Procurement of Goods and Services	
	Policy Type: General Administrative	GA 65-19

## PURPOSE:

To describe the responsibilities and duties of Administration involved in the procurement process.

## POLICY STATEMENT:

The Town of Gibbons shall conduct its purchasing in accordance with generally recognized purchasing practices, including, wherever possible, a competitive process to ensure the Town receives the best value in procurement.

### 1. DEFINITIONS:

**“Best Value”** means the most advantageous balance between performance, price and quality.

**“CAO”** means Chief Administrative Officer or Town Manager for the Town of Gibbons as appointed by Council.

**“Competitive Bid Process”** means a publicly posted open competition used for the Procurement of Goods and Services including Construction.

**“Construction”** means a construction, reconstruction, demolition, repair or renovations 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.

**“Procurement”** means the acquisition by any means, including by purchase, rental, lease or conditional sale, of Good and Services or Construction.

**“WCB”** means the Workers Compensation Board, a statutory corporation created by government to administer a system of workplace insurance for workers and employers in the province of Alberta. Contractors must carry WCB coverage when doing business with the Town of Gibbons.

#### Document History

Policy Adopted – Resolution #	November 13, 2019 - #19.272	Policy Repeated	
Policy Revised and Adopted - Resolution #		Date to be Reviewed	November 13, 2024

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## 2. GUIDING PRINCIPLES:

1. This policy will comply and be conducted in accordance with relevant legislation, legal requirements and trade agreements, including but not limited to:
  - a. Income Tax Laws and Regulations
  - b. Goods and Services Tax Laws and Regulations
  - c. Occupational Health and Safety
  - d. Workers Compensation
  - e. Freedom of Information and Protection of Privacy Act
  - f. Municipal Government Act
  - g. Municipal Bylaw and Policies
  - h. The Canadian Free Trade Agreement (CFTA)
  - i. The Agreement on Internal Trade (AIT)
  - j. The New West Partnership Trade Agreement (NWPTA)
  - k. The Trade, Investment and Labour Mobility Agreement (TILMA)
2. The Town of Gibbons will conduct all purchases in a manner that result in the acquisition of quality products and services delivering the best value to the Town.
3. All procurement activities shall be conducted to ensure impartiality, fairness, openness, integrity and professionalism to all actual and potential business partners.
4. The Town of Gibbons will ensure that all interested vendors are provided with an opportunity to conduct business with the Town and that all participants are subject to the same terms, conditions and requirements. Furthermore, that all procurement documents and contracts accurately reflect the requirements of the Town and are not unreasonably biased to favour a particular vendor.
5. The Town encourages the consideration of overall cost in the acquisition of Goods and Services, including but not limited to, acquisition cost, operating costs, life cycle costing, salvage value and delivery. The Town will consider and evaluate the relevance of price and non-price factors prior to commencing the Competitive Process.
6. All employees shall:

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Policy Revised and Adopted - Resolution #		Date to be Reviewed	November 13, 2024

  
2

	COUNCIL POLICY	
	Procurement of Goods and Services	
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- a. Procure and/or make purchases in compliance with all applicable trade agreements.
- b. Comply with all bylaws and policies within the Town of Gibbons.
- c. Protect information received in relation to a Competitive Bid Process or the award of a contract in accordance with the provisions of *The Freedom and Information and Protection of Privacy Act*.

### 3. PURCHASING REQUIREMENTS

1. Where the value of goods and services to be purchased is less than \$10,000.00 in any one case, formal price comparisons are not required, although, from time to time comparisons will be done to ensure the Town is getting the best value.
2. Where the value of goods and services to be purchased exceeds \$10,000.00 but is less than \$75,000.00, a minimum of 3 written quotations must be received from suppliers where possible.
3. Where the value of goods and services to be purchased exceeds \$75,000.00 and or construction projects greater than \$200,000.00 a publicly posted competitive bid process is required, unless the CAO determines that a sole source arrangement is justified and required.
4. During a declared local state of emergency, the Chief Administrative Officer or the Director of Emergency Management is granted spending authority, without any competitive process and without a limit to respond to the emergency.

### 4. COMPETITIVE BID PROCESS


The Competitive Bid Process is a formal method of obtaining competitive prices for goods and services that exceed \$75,000.00 or for construction greater than \$200,000.00.

1. The Town shall:

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- a. Prepare or have prepared on their behalf, detailed plans, drawings and/or specifications outlining the goods and services to be contracted as well as the terms and conditions under which a tender is to be accepted for consideration.
- b. Publicly advertise the calling for tender submissions. All tenders are to be advertised on the Town's website and in the local newspaper and through any other avenue the Town deems necessary.
- c. Receive tenders under sealed envelope format by a specified date and time of bid closure.

## 5. AWARD CRITERIA

1. The CAO and other stakeholders, as appropriate, will review all responses received from a Competitive Bid Process and recommend a preferred vendor, based on criteria such as, but not limited to cost, conformance to specifications, vendor experience, quality and vendor performance history.
2. The Town reserves the right to accept or reject any or all tenders and to waive irregularities and informalities at its discretion. The Town reserves the right to accept a tender other than the lowest tender without stating reasons. By the act of submitting its bid, the bidder waives the right to contest in any legal proceeding or action the right of the Town to award the work to whomever it chooses in its sole and unfettered discretion, and for whatever reason the Town deems appropriate. Without limiting the generality of the foregoing, the Town may consider any other factor besides price and capability to perform the work that is deemed in its sole discretion to be relevant to its decision.
3. To protect the overall Town interests and minimize long term financial losses, the Town reserves the right to not award a contract to a party that is engaged in litigation or arbitration with the Town of Gibbons or has an outstanding account with the Town of Gibbons.

## 6. CONTRACTOR REQUIREMENTS

1. The successful contractor must:

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- a. Provide proof of WCB coverage if appropriate.
- b. Provide proof of an effective Health & Safety program to ensure the safety of the contractor and all employees. The Contractor must work in compliance with all relative Alberta Occupational Health and Safety regulations.
- c. A corporate search of any company the Town is contracting with may be performed.

## 7. SOLE SOURCE PROCUREMENTS


- a. With prior written notice from the CAO, the Town may acquire goods, services or construction through sole source procurements when there is only one available supplier of a required good, service or construction that meets the Town's needs or in the event of an emergency.
- b. Notwithstanding the foregoing, in no case shall sole sourcing be used to avoid competition or discriminate between suppliers.

**SUPERCEDES:** Policy GA 17-01

  
 Farrell O'Malley  
 CAO

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Policy Revised and Adopted - Resolution #		Date to be Reviewed	November 13, 2024

  
 5