

	City of Wetaskiwin Policy:	Tendering and Purchasing
Policy # CO-016	Approved Res. No.: 145/19 Date: April 23, 2019	Revised Res. No.: N/A Date: N/A

Policy Statement

The City of Wetaskiwin is committed to purchasing goods and services in a manner that aligns with industry best practice and adheres to the principles of ethics and integrity as provided for in this policy. The City is further committed to complying with all applicable Trade Agreements. This policy regulates the purchasing process which must be followed by the City of Wetaskiwin in procuring goods and services.

Definitions

“Emergency purchase” means an unanticipated and unbudgeted purchase made in the event of a disaster or emergency in the community, which is required as part of the disaster or emergency response.

“Purchasing Value” means the actual or expected value of a contract over the full contract period, including all options to extend, but does not include the Goods and Services Tax (GST).

“Sustainable procurement” means the procurement of goods and services that have minimal environmental impacts and provide increased environmental and social benefits.

“Sole source” means a contract entered into without engaging in the competitive bid process.

“Flow Benefits” means any indirect benefits experienced by contractors in the local economy to whom the tender was not awarded. Such local contractors may be suppliers or perform work for the successful contractors.

“Value for money” means an overarching principle in which the buyer takes into account user requirements, quality standards, sustainability, life cycle costing, and service benchmarks.

Standards

1. Ethics and Integrity: City employees shall act in accordance with the following principles in all purchasing and tendering transactions:

- a. Staff are accountable for all transactions and expenditures of public funds
 - b. Procurement shall be based on achieving best value for money;
 - c. All transactions shall comply with the relevant legislation and agreements, and City policies;
 - d. Purchasing shall be done on an impartial basis and all parties shall be treated fairly and consistently;
 - e. Any actual or perceived conflicts of interest shall be identified, disclosed, and appropriately managed;
 - f. Any information provided to the City shall be treated as confidential under Section 16 of the *Freedom of Information and Protection of Privacy Act*.
2. Value for Money: An assessment for best value for money shall consider the following:
- a. All relevant costs associated with goods and services, including costs of procurement, maintenance, and disposal, and including transaction costs associated with delivery, distribution, holding costs, consumables, deployment, as well as relevant bonding;
 - b. The merit of a good or service offered and compliance with the terms of the contract or specifications, or any other method of assuring quality. This shall include:
 - i. Assessment of levels of compliance, value-added, warranties, ease of after-sales services, and ease of communications.
 - c. Financial viability of supplier and the ability to supply without risk of default, past experience, and probability of success based on information supplied in the tender;
 - d. The safety requirements associated with the product design and specification offered by suppliers and the evaluation of risk when considering purchases;
 - e. Purchasing goods and services from suppliers that demonstrate a dedication or consideration to environmental stewardship and corporate social responsibility.
 - f. Where a higher conforming price is being considered for quotation or tenders, justification shall be provided as to the preference over the lowest, conforming offer.
3. Sustainable Procurement: The City is committed to sustainability and environmental stewardship.
- a. The City shall design tenders so as to give priority to suppliers that minimize environmental and negative social impacts.
 - b. Sustainable impacts shall be considered against value for money.



4. Environmental Stewardship: The City shall endeavor to purchase goods and services that:
 - a. Demonstrate environmental best practice in energy efficiency or consumption which can be demonstrated through suitable rating systems and eco-labelling;
 - b. Demonstrate environmental best practice in water and waste water efficiency;
 - c. Are environmentally sound in manufacture, use, and disposal with a preference for products made using the minimum amount of raw materials from a sustainable source, that are further free from toxic or polluting materials and that have a minimal carbon footprint;
 - d. May be refurbished, recycled, or re-purposed, reclaimed and products that are designed for ease of such; and
 - e. For new buildings and refurbishments, use renewable energy and technology.

5. Purchasing Limits:
 - a. Purchases below \$5,000 in value may be sole sourced and local consideration may be given.
 - b. Purchases between \$5,000 and \$75,000 for goods and services and below \$200,000 for construction shall be completed as per the competitive bid process outlined in the procedures of this policy.
 - i. Such purchases are not required to be posted to the Alberta Purchasing Network (APC).
 - c. Purchases that exceed \$75,000 for goods and services and \$200,000 for construction projects shall be posted to the APC and shall follow the tender process as outline in the procedures of this policy.

6. Buy Local:
 - a. The City may give preference to local suppliers for goods or services that are less than \$5,000 in value.
 - b. Tenders shall be further structured to encourage local businesses to participate in the bidding process.
 - c. The City shall further consider indirect flow benefits to local suppliers.
 - d. Tenders may be awarded to a local supplier where the local supplier's price is no more than 15% higher than a non-local supplier.

