



**TOWN OF ALAMEDA  
General Government Policy**

**POLICY No. 100-3**

**PURCHASING AND PROCUREMENT POLICY**

1. Policy Statement

The purpose of this policy is to outline administrative procedures and establish general guidelines for all employees to obtain the appropriate authorizations and use appropriate processes for the purchase, acquisition, sale or lease of goods, services, and works for the Town of Alameda.

This policy will provide guidance to all employees and Council members to ensure that goods and services are acquired through fair, open, transparent, and competitive processes that balance the interest of taxpayers with fair and equitable treatment of suppliers.

This policy complies with all applicable trade agreements, including the Agreement on Internal Trade (AIT), Canadian Free Trade Agreement (CFTA), and New West Partnership Trade Agreement (NWPTA), and all other legal obligations, including but not limited to, municipal, provincial and federal law as applicable and as amended.

2. Definitions

The following terms shall have the following meanings:

(a) **“Agreement”** shall mean a written document containing terms and conditions for a contractor or supplier to carry out certain work or provide certain products or services.

(b) **“Agreement Value”** shall mean the total value of an Agreement.

(c) **“AIT”** shall mean the Agreement on Internal Trade, as amended from time to time.

(d) **“Bid”** means a competitive bid received from a supplier in response to a verbal or written Request for Quotation, a Request for Proposal, or an Invitation to Tender.

(e) **“Bid Opportunity”** means a publicly advertised invitation for suppliers to submit bids for the provision of goods or services through a Request for Quotation, a Request for Proposal, or an Invitation to Tender.

(f) **“Budgeted”** shall mean those items (goods and services) that have been pre-determined as justifiable expenses by Administration and subsequently approved by Council in the Town of Alameda Annual Budget following the budgeting process.

(g) **“CFTA”** means the Canadian Free Trade Agreement, as amended from time to time.

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(h) "**Community Project**" shall mean that the goods and/or services to design and build the whole Project originate from and are provided by: i) residents, without cost or fee to the Town; or ii) philanthropic institutions as a donation or grant; or iii) persons with disabilities, or iv) a non-profit organization; or v) any combination of the above.

(i) "**Council**" shall mean the Council of the Town of Alameda.

(j) "**Goods**" means all types of personal property (machinery, office supplies, computer, hardware, land, etc.)

(k) "**Local Provider**" shall mean a business which provides goods or services locally to two the Town of Alameda residents and businesses, and who also pay the Town of Alameda municipal property taxes.

(l) "**NWPTA**" means the New West Partnership Trade Agreement, as amended from time to time.

(m) "**Project**" shall mean any development or facility that: (i) provides a good or service to the public on behalf of, or in conjunction with, the Town; or (ii) is located on lands owned or otherwise controlled by the Town.

(n) "**Proponent**" shall mean any entity or individual who submits a response to a call for competitive procurement, (i.e. an RFP or Tender).

(o) "**Purchase Order**" shall mean a document endorsed by the municipality to formalize a purchase A transaction with a vendor.

(p) "**Request for Expressions of Interest**" or "**REOI**" shall mean a request to entities or individuals to submit confirmation they may be interested in participating in a potential project and in some REOIs to submit details regarding such participation.

(q) "**Request for Proposals**" or "**RFP**" shall mean a non-binding request to entities or individuals to submit proposals for unspecified goods and/or services.

(r) "**Request for Qualifications**" or "**RFQ**" shall mean a pre-qualification stage of the procurement  
The process where a formal request is issued by the Town to suppliers or contractors to submit an explanation and outline of their qualifications and ability to carry out the work or provide the goods or services required for a particular project.

(s) "**Resident**" shall mean persons that have their primary dwelling at least two hundred and forty (240) days per year within fifty (50) kilometres of the Town.

(t) "**Services**" means all types of services, including construction (consulting, engineering and design, accounting and auditing services, legal services, maintenance, operation and repair of buildings, or equipment.

(u) "**Tender**" shall mean a request to entities or individuals to submit pricing for the supply of specific goods and/or services.

(v) "**Town**" shall mean the Town of Alameda.

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(w) “Value” shall mean the monetary worth of goods and services as pertaining to this Procurement and Purchasing Policy.

3. Responsibilities

a) Declaration of Interest

Personal Interests which might be deemed by others to affect the impartiality of an employee in any matter relevant to their duties should be declared by the employee to Council.

b) Confidentially & Accuracy of Information

Information received in the course of duty must be respected and shall not be used for personal gain. Information given in the course of duty must be true, fair, and not designed to mislead. *The Local Authority of Freedom of Information and Protection of Privacy Act* must be followed.

c) Gifts

To preserve the image and integrity of employees and the Town, business gifts are discouraged. Only those gifts which have a value of \$100 or less shall be accepted.

d) Purchases from Employees

The Town shall not purchase any goods or services from an employee or immediate family without the prior consent of the Council.

e) Professionalism

Employees must maintain professional standards of the resources entrusted to them, as a publicly funded institution.

f) Value

It is imperative that employees seek to obtain the best value for money for operational spending purposes without exceeding the set spending limits.

4. Purchasing Process

Approval

In accordance with Motion 141/05/20 Public Works and office employees may purchase necessary items up to the amount of \$200.00 without Council approval, and furthermore for items \$201.00 to \$500.00 public works advise the Administrator for approval by Council.

Procurement

All goods and services shall be procured by the Town in a way that is consistent with this Policy and with its goals and objectives.

The value of the goods and services is the total financial commitment resulting from the procurement, including premiums, fees, commission, interest, duty, freight and PST.

Up to \$10,000.00 – Goods and services with a value of up to \$10,000 may be purchased if funds are clearly identified in the Town of Alameda's budget and/or audit.



More than \$10,000.00 and less than \$50,000.00 – For the acquisition of goods and services with a value of more than \$10,000.00 and less than \$50,000.00, at least two (2) quotations will be required. These quotations shall be written except during a state of local emergency where due to immediate need and time constraints normal procurement methods cannot be followed. Two (2) quotations will not be required for major equipment repairs.

More than \$50,000.00 – For the acquisition of goods and services of more than \$50,000.00 the Town of Alameda will provide a bid opportunity.

The Town of Alameda is not required to accept any bid if Council decides not to proceed with the purchase, if all bids are too high, if none meet the needs of the Town, or if the Town's plans change. If tenders are incomplete, unsigned, conditional, illegal, obscure, and illegible or contain conditions not called for, reservations, erasures, alterations, or irregularities of any kind, they **may** be rejected. Late tenders will automatically be rejected based on time default. The owner reserves the right to accept or reject any or all tenders.

All bids, quotations and tenders are required to have proof of W.C.B. insurance or a letter of good standing, if any contractor does not have proper W.C.B. or liability insurance, that quote, bid or tender will automatically be rejected.

## 5. Methods and Processes of Procurement

The Town of Alameda will use the following methods of procurement:

Sole Source Purchases – Sole source purchases will be used in the following circumstances:

- Where there is only one available supplier of a required product or service that meets the needs of the Town of Alameda.
- During a state of local emergency where due to immediate need and time constraints normal procurement methods cannot be followed.

Request for Quotation – the Town of Alameda may obtain quotations for the provision of goods and services for which there are specific requirements in the following manner:

- By directly contacting known suppliers. This method will be used for the procurement of minor goods and services such as standard office supplies, repairs, small tools, etc.
- Written quotations will be obtained from at least 2 suppliers. Verbal quotations may be accepted for routine minor purchases. The Town of Alameda will contact only local suppliers if it is determined that sufficient competition exists.
- Through a written Request for Quotations (RFQ) – an RFQ for the procurement of goods and services will be used where the goods and services have specific and detailed requirements but are not considered to be "minor", and the cost of the good or service does not warrant the time and level of effort required for a formal tender process.

Suppliers will be invited to provide quotations for the sale of goods or services through public advertisement (bid opportunities).

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Request for Proposals (RFP) – an RFP will be used to acquire professional services such as auditors, planning consultants, etc.

Potential suppliers will be asked to describe how their services, methods, equipment or products can address and/or meet the needs of the Town of Alameda.

An award of a contract will be given to the supplier whose proposal is determined to be the most advantageous to the Town of Alameda based on criteria for evaluation set out in the RFP and applied to all proposals.

Formal Tenders – The Town of Alameda will formally tender for competitive bids for the procurement of capital items and capital projects.

Detailed specifications and requirements will be provided in the tender documents. The evaluation of tenders will be against detailed specifications and requirements.

A Formal Tender is a form, of competitive bidding process.

A Formal Tender Opening will be held on a date listed in the tender documents.

### **Advertise Bid Opportunities**

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All bid opportunities are solicited through a written Request for Quotation, Request for Proposal, or a Formal Tender for the procurement of goods and services will either be by direct letter, posted on our website, Facebook page, and be posted on SaskTenders.ca.

### **Award of Contracts**

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Quotations, proposals, and tenders will be awarded using the evaluation process that is specified in the procurement documents. Generally, the Town of Alameda will award contracts as follows:

- To the bidder whose proposal has met established evaluation criteria, in the case of proposals submitted to the Town of Alameda in response to a Request for Proposal.

When all factors are equal, in terms of price, quality, suitability, service and delivery, the Town may give preference to a “local” or “preferred” supplier.

The Town of Alameda may enter into a contract with the successful bidder. The form of the the contract will be determined by the Town of Alameda.

The Town of Alameda with formal tenders will release the bid results on SaskTenders as well as to any parties that submitted a bid.

### **Delegation of Approvals**

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The authority to approve procurements of a good or service is as follows:

**Less than \$500.00** – Purchases of small values, under five hundred dollars, may be made by the Administrator or Foreman.

**Less than \$1,000.00** – formally designated officer, as long as the expenditure is identified in the Town of Alameda’s budget and/or pre-approved by the Administrator and/or Council resolution.

**Less than \$10,000.00** – The Administrator, as long as the expenditure is identified in the Town of Alameda’s budget or pre-approved by Council resolution.

**Over \$10,000.00 – Council All contracts for professional services – Council**

### **Process for Selling Surplus Capital Assets**

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Surplus capital assets will be disposed of in one (or in any combination) of the following manners:

- Competitive bid process through a Request for Quotation
- Public auction
- Posted on the Town of Alameda website and/or Facebook page
- Posted in online auction groups on Facebook.

Contracts for the sale of a capital asset(s) to a bidder shall be awarded using the evaluation process that is specified in the invitation to bid. **The Town of Alameda is not required to accept any bid, for any reason. The highest or any bid will not necessarily be accepted.**

The Administrator may, with the approval of the Council, award surplus capital assets without competition or auction to any municipality in limited circumstances, as determined and approved by Council.

### **Privacy and Confidentiality**

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Most purchasing transactions are confidential, especially with regard to vendors. A total bid price is public information; however, it is considered unethical as well as damaging to the Town's position to allow unit price information about one vendor's bid to pass on to another vendor unless all vendors are in agreement. In considering privacy and confidentiality, the provisions of *The Local Authority Freedom of Information and Protection of Privacy Act* will apply with respect to the release of tender or RFP information.

### **Personal Guarantees**

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When creating accounts with suppliers they often request information about the Town staff and Council. This may include a personal guarantee. In no circumstances does the Town require commitment from staff or Council to make a personal guarantee with a supplier.

### **Initial Deposits and Advances**

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The Town discourages the payment of deposits on goods or advances on services provided. This is necessary in order to protect the Town in the event that a supplier or contractor ceases business operation and to ensure prudent spending of municipal funds. If ever a situation arises where a deposit or advance is requested, it will be at the discretion of the Council to determine whether or not the Town will oblige.

  
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Document Revision History:

<b>Document Title:</b>	<b>Revision Date:</b>	<b>Approved By:</b>
Purchasing and Procurement Procedures Policy		Council

Handwritten signature and initials in blue ink, including a stylized signature above the initials 'PHK' and a small mark below.