



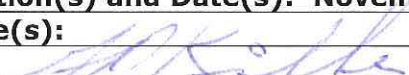
City of Leduc Policy

Policy Title: Procurement Policy

Policy No: 11.00:20.

**Supersedes: 12.06:10
and 12.06:16**

Revision #: 1

Authority (Council or City Manager): City Council	
Section: Administration	Approval Date: July 13, 2009
Responsible Department: Corporate Services	Effective Date: November 24, 2014
Relevant Legislation: Municipal Government Act s. 207, 208, 209, 210, 212 and 213	
Relevant Council Resolution(s) and Date(s): November 24, 2014	
Relevant Bylaw and Date(s):	
Authority's Signature: 	

POLICY STATEMENT:

The City of Leduc (the "City") is committed to the acquisition of Goods and Services of the appropriate quality and at the best value for the City while treating all Vendors equitably. The City is committed to creating and maintaining a high level of confidence in its Procurements of Goods and Services, by ensuring integrity, transparency, accountability, efficiency and consistency in its Procurement process, while recognizing the vast impact procurement has on the environment and acting within its authority under the federal and provincial legislation, regulations or agreements governing municipal procurement.

1.0: Purpose

1.1 To provide direction and guiding principles for all Procurement of Goods and Services.

1.2 To ensure Procurement of Goods and Services are in compliance with:

- (a) the *Municipal Government Act*;
- (b) *Agreement on Internal Trade (AIT)*, MASH Annex 502.4;
- (c) *New West Partnership Trade Agreement (NWPTA)*;
- (d) *Any subsequent federal or provincial legislation, regulations, or agreements governing municipal procurement; and*
- (e) *All City policies, bylaws and established procedures governing standards of conduct by City employees.*

2.0: Definitions

- 2.1 “**City**” means the City of Leduc, in the Province of Alberta;
- 2.2 “**City Manager**” means the Chief Administrative Officer of the City, or whatever title the City may call the position from time to time;
- 2.3 “**Council**” means the municipal council of the City;
- 2.4 “**Goods**” means in relation to a Procurement, moveable property (including the cost of installing, operating, maintaining or manufacturing such moveable property) and includes supplies, materials, raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form;
- 2.5 “**Manual**” means the City of Leduc Procurement Manual, as amended from time to time;
- 2.6 “**Policy**” means this Procurement Policy;
- 2.7 “**Procurement**” means the acquisition by any means, including by purchase, rental, lease or conditional sale, of Goods and/or Services, but does not include:
- a. any form of government assistance such as grants, loans, equity infusion, guarantees or fiscal incentives; or
 - b. government provisions of Goods and/or Services to persons or other government organizations;
- 2.8 “**Services**” means all services to be supplied, including construction and consulting;
- 2.9 “**Vendor**” includes, but is not limited to, an individual, firm, partnership or proprietorship, supplier, contractor, architect, consultant, bidder or tenderer.

3.0: Guiding Principles

Open and Fair Competition

- 3.1 The objective of this Policy is to ensure that Goods and Services are acquired through a fair, open, transparent and competitive process that uniformly balances the interests of the taxpayers with the fair and equitable treatment of Vendors.
- 3.2 The Policy will promote and maintain the integrity of the Procurement process and protect Council, City employees and Vendors involved in the process, by providing clear direction and accountability.
- 3.3 All Procurement actions by the City shall be fair and impartial with no impropriety nor appearance of impropriety, ensuring that all qualified buyers and Vendors have access to the City's business, that no source is arbitrarily or capriciously excluded, and that there is competition for the City's business ensuring that the City receives best value in all of its procurement activities.
- 3.4 The City will maintain an open, transparent, and accessible procurement function, treating all Vendors fairly and equitably, including dealing with Vendor complaints, providing unsuccessful Vendors with feedback upon request, and maintaining records on Vendors' performance under contracts.

Sustainability

- 3.5 The City is committed to the Procurement of Goods and Services that are environmentally and ethically preferred wherever practical and economically feasible, where doing so will not significantly affect the intended use of the Goods and Services.
- 3.6 City employees will review all proposal and tender specifications to ensure that, wherever practical and economically feasible, specifications provide for expanded use of environmentally and ethically preferred Goods and Services.
- 3.7 In evaluating Goods and Services, City employees should take into consideration such factors as: durability; reusability; level of post-consumer waste and/or recyclable content; and recognized third party eco/ethical certification.

Local Suppliers

- 3.8 The City may provide preferential treatment to local Vendors when the Procurement of Goods and Services are under the Procurement limits as prescribed in NWPTA (\$75,000.00 for goods and services and \$200,000 for construction).
- 3.9 Notwithstanding section 3.8, purchases shall be at the best value to the City consistent with the required quality and service and factors such as price, availability, warranties, quality and serviceability shall be considered in determining the best value to the City.

Ethically Bound

- 3.10 The City is committed to acting ethically in all its Procurement practices.
- 3.11 City employees shall ensure that specifications in Procurement competitions are performance-based, accurate and clear, that consistent buying practices are maintained and that they remain free of any obligation to any Vendor or potential Vendor.
- 3.12 City employees must ensure that all Vendors and potential Vendors are treated equally under this Policy and all Procurement procedures and that neither an advantage nor disadvantage is created.
- 3.13 City employees are to exercise caution when dealing with Vendors or potential Vendors where there is the possibility or perception of a conflict of interest, either through a direct or indirect relationship of any kind. Such Vendor will not be disqualified due to the existence of such a conflict of interest provided that it is identified, recorded and acknowledged at the outset and proper precautions have been exercised to limit any such conflict of interest. City procurement documents will specify the requirement for Vendors to declare that there are no conflicts of interest or provide details of any actual or potential perception of conflicts of interest with City employees or elected officials.
- 3.14 City employees will not participate in any unfair, unethical or illegal procurement practices.
- 3.15 City employees will not use their public role to influence or seek to influence a City procurement decision which could further a personal interest of the employee.

Best Value Considerations

- 3.16 The City encourages the consideration of overall cost in the Procurement of Goods and Services, including but not limited to: acquisition costs, operating costs, life cycle costing, salvage value, availability, serviceability, and delivery. The City will consider and evaluate the relevant price and non-price factors prior to commencing the competitive process. Purchases shall be at the best value to the City consistent with the required quality and service and factors such as price, availability, warranties, quality and serviceability shall be considered in determining the best value to the City.

Vendors Acting in Good Faith

- 3.17 The City may refuse to do business with Vendors who do not act in good faith towards the City, whether by failing to live up to the terms and conditions of their agreement or contracts, or by entering into litigation with the City without valid justification.

Privacy

- 3.18 Pursuant to the City's obligations and duties under the *Freedom of Information and Protection of Privacy Act*, as amended or repealed and replaced from time to time, the City commits to protect confidential information from unauthorized access or disclosure, especially information of a confidential nature that is clearly marked as such.

Procurement Authority

- 3.19 Procurement authority is delegated from Council to the City Manager in accordance with this Policy and may be further delegated within the organization in accordance with approved delegation policies. In addition, signing authority for all agreements or contracts in relation to Procurement is delegated from Council to the City Manager. The delegated authority is limited to the amounts approved in operating and capital budgets approved by Council each year and spending resolutions approved by Council
- 3.20 The City Manager will maintain an effective system of written procedures and controls, including monitoring and reporting, to ensure that all procurement authority is being properly executed.

- 3.21 All purchasing transactions must be approved by employees charged with the delegated authority for the City.

Ongoing Monitoring

- 3.22 The City is committed to ensuring this Policy and all aspects of its procurement practices comply with the stated purpose(s) as set out herein, best practices applicable to Procurements, established standards and leading practices. As such, the City is committed to ongoing monitoring and periodic review of this Policy and its procurement practices. Such monitoring and review shall take place at a time, or times, as determined by Council, the City Manager, or Purchasing Officer.

Inquiries/Contact Person

Purchasing Officer