



POLICY # AD 004

PURCHASING POLICY

DEPARTMENT: ADMINISTRATION

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POLICY STATEMENT:

The County of Vermilion River (the "County") is committed to the acquisition of Goods and Services of the appropriate quality and at the best value for the County while treating all Vendors equitably. The County 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, and acting within its authority under the federal and provincial legislation, regulations and agreements governing municipal Procurement.

It is important that in the expenditure of public funds the County maximizes the benefit to the County and therefore the public. All County employees shall pursue Procurement practices which promote the principles of economy, efficiency, effectiveness and equity.

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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) the *Agreement on Internal Trade (AIT)*, MASH Annex 502.4;
 - (c) the *New West Partnership Trade Agreement (NWPTA)*;
 - (d) any subsequent federal or provincial legislation, regulations, or agreements governing municipal Procurement; and
 - (e) all County bylaws, policies and procedures governing standards of conduct by County employees.

2.0 Definitions

- 2.1 **“Alternate Goods or Services”** means a choice between two Goods or Services. The same Evaluation Criteria must be used to assess each Good or Service;
- 2.2 **“Bid”** means for the purposes of this document only, a Tender, Proposal, Quotation, an offer or submission received from a Vendor in respect of an Invitation to Tender, Request for Proposal, Request for Quotation, or other form of solicitation;
- 2.3 **"Chief Administrative Officer"** means the Chief Administrative Officer of the County,
- 2.4 **“Conflict of Interest”** means a situation where the independence or impartiality of an employee's decisions or actions are impaired or may reasonably be expected to be impaired because of outside employment, political, business, family or other personal interests;
- 2.5 **“Construction”** means a construction, reconstruction, demolition, repair or renovation 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, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the Procurement;
- 2.6 **“Contract”** means a formal legal agreement between two or more parties, usually written, with binding legal and moral implications; usually exchanging Goods and/or Services for money or other considerations;
- 2.7 **"County"** means the County of Vermilion River, in the Province of Alberta;

- 2.8 **"Council"** means the municipal council of the County;
- 2.9 **"Department"** means any department of the County;
- 2.10 **"Director"** means the individual accountable for a specific portion of departmental operations of a Department of the County and who reports to the Chief Administrative Officer
- 2.11 **"Emergency"** means an unforeseeable situation of urgency and the Goods or Services cannot be obtained in time by means of an open Procurement process;
- 2.12 **"Equivalent Goods or Services"** means having the same quality, the same performance or providing the same benefit. The same Evaluation Criteria must be used to assess each Good or Service;
- 2.13 **"Evaluation Criteria"** means criteria set out in the Procurement documents which are to be used to evaluate a Bid;
- 2.14 **"Expression of Interest"** means a request by the County to determine the interest of potential Vendors to provide Goods and/or Services;
- 2.15 **"Formal Competition"** means the acquisition of Goods and Services governed by competitive bidding law utilizing an Invitation to Tender, a Request for Proposal, an Expression of Interest, etc;
- 2.16 **"Goods"** means 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;
- 2.17 **"Informal Competition"** means the acquisition of Goods and/or Services which requires a minimum of three quotes from Vendors;
- 2.18 **"Invitation to Tender"** means an invitation to submit a tender;
- 2.19 **"Prequalification"** means the process of short listing potential Vendors;
- 2.20 **"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, guarantee or fiscal incentives;
 - (b) government provisions of Goods and/or Services to persons or other government organization;
- 2.21 **"Procurement Value"** means the estimated total financial commitment resulting from a Procurement (G.S.T. excluded), not taking into account optional renewals when the

compulsory part of the Contract is of at least one year's duration;

- 2.22 **“Purchase Order”** means a legal document which is the County's commitment to the Vendor for the purchase of Goods and/or Services at an agreed upon price, terms, conditions and delivery date. This definition shall also include change orders. It is also the Vendor's authority to ship and charge for Goods and/or Services specified in the Purchase Order;
- 2.23 **“Purchasing Card”** means a charge card approved by the County that can be used by authorized employees to acquire low dollar value items as outlined in the applicable policies and procedures for the purchasing card;
- 2.24 **“Quotation”** means a Vendor's submission in response to a Request for Quotation;
- 2.25 **"Policy"** means this Procurement Policy;
- 2.26 **“Request for Information”** means a request issued by the County wherein further information regarding Vendors, Goods and/or Services is requested for Prequalification assessment;
- 2.27 **“Request for Proposal”** means a request issued by the County wherein a Vendor’s submission of a proposal is sought;
- 2.28 **“Request for Qualifications”** means a request issued by the County wherein the qualifications, experience and background of a Vendor is sought for the purpose of a Prequalification, in order to screen and short list potential Vendors;
- 2.29 **“Request for Quotation”** means a request issued by the County wherein a Vendor’s submission of a quotation is sought;
- 2.30 **"Services"** means all services to be supplied, including Construction and consulting;
- 2.31 **“Single Sourcing”** means awarding a Procurement opportunity to a Vendor without competition for reasons specific to the situation (i.e. an Emergency), although competitive bids may be available;
- 2.32 **“Sole Sourcing”** means awarding a Procurement opportunity to a Vendor without competition because that Vendor is predetermined to be the only source capable of providing the Goods and/or Services;
- 2.33 **“Tender”** means an offer in writing to provide specified Goods and/or Services at a certain price, in response to an Invitation to Tender;
- 2.34 **"Vendor"** includes, but is not limited to, an individual, firm, partnership or proprietorship, supplier, contractor, architect, consultant, bidder or proponent.

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, County employees and Vendors involved in the process, by providing clear direction and accountability.
- 3.3 All Procurement actions by the County shall be fair and impartial with no impropriety nor appearance of impropriety, ensuring that all qualified Vendors have access to the County's business, that no source is arbitrarily or capriciously excluded, and that there is competition for the County's business ensuring that the County receives best value in all of its Procurement activities.
- 3.4 The County 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.

Ethically Bound

- 3.5 The County is committed to acting ethically in all its Procurement practices.
- 3.6 It is the responsibility of County employees involved in Procurement activity to establish a relationship of mutual confidence between the County and its Vendors, within the confines of applicable policy and law. Employees shall:
 - (a) ensure that competition is open and fair;
 - (b) ensure that specifications are performance based, generic, accurate and clear;
 - (c) maintain consistent buying practices; and
 - (d) remain free of any obligation to any Vendor or potential Vendor.
- 3.7 County 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.
- 3.8 County 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 are exercised to limit any such Conflict

of Interest. County 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 County employees or elected officials.

- 3.9 County employees will not participate in any unfair, unethical or illegal Procurement practices.
- 3.10 County employees will not use their public role to influence or seek to influence a County Procurement decision which could further a personal interest of the employee.
- 3.11 County employees will not purposely direct or influence a County purchase in a manner that provides them with personal financial gain that would not be available to them or avoid a financial loss, if it were not for their position as a County employee. Therefore the use of a personal rewards card is prohibited. This includes: Air Miles Cards, Aeroplan Cards, Hotel Reward cards or any other personal membership or points card.

Vendors Acting in Good Faith

- 3.12 The County may refuse to do business with Vendors who do not act in good faith towards the County, whether by failing to live up to the terms and conditions of their agreement or contracts, or by entering into litigation with the County without valid justification.
- 3.13 Where a Vendor has initiated litigation within the County, Restrictions on Contractors for Goods or Services Policy AD 003 must be followed.

Privacy and Confidentiality

- 3.14 Pursuant to the County'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 County commits to protect confidential information from unauthorized access or disclosure, especially information of a confidential nature that is clearly marked as such.
- 3.15 Subject to the Freedom of Information and Protection of Privacy Act, information regarding budget and cost estimates and any other information which may create an unfair advantage shall remain confidential and shall not be released to the public or a single potential Vendor. Further, the County is committed to ensuring that:
 - (a) subject to the requirement for a public opening as set out in this Policy, any and all information provided by a potential Vendor during either the Informal or Formal Competitive Bidding Process shall remain confidential pending Bid analysis and award;
 - (b) pricing and costs of competing Vendors and the names of Vendors shall not be released prior to award, or prior to public opening;
 - (c) information made available to potential Vendors shall be limited to the list of potential Vendors and total Contract price; and

(d) information made available to a potential Vendor must be made available to all potential Vendors.

4.0 Roles and Responsibilities

4.1 Departments and individual employees exercising Procurement authority are responsible to ensure that all Procurement activities are carried out in accordance with this Policy and all other applicable policies, procedures, guidelines and legal requirements. Specifically, this includes, but is not limited to:

- (a) ensuring efficient, effective, economic and prudent use of public funds in Procurement activities;
- (b) identifying specific needs for Goods and Services;
- (c) planning appropriately for the Procurement of budgeted Goods and Services;
- (d) defining requirements and drafting clear, complete, non-biased, performance-based specifications for Procurement opportunities;
- (e) maximizing competition in Procurement activities;
- (f) completing the Procurement cycle (i.e. attending the public tender opening, completing the evaluation, awarding the contract, issuing the Purchase Order or Contract, justifying the award, managing the contract); and
- (g) ensuring all Procurement processes are appropriately and completely documented for records retention purposes.

5.0 Procurement Authority

5.1 Unless otherwise approved by Council, all Procurement of Goods and Services must be approved in the annual budget. Formal approval of the budget constitutes approval for County administration to proceed with the Procurement process.

5.2 Council hereby delegates Procurement authority to County employees as follows:

| | |
|-----------------------------------|--------------|
| Chief Administrative Officer | \$500,000.00 |
| Directors | \$50,000.00 |
| Manager, Foremen and Coordinators | \$15,000.00 |
| CVR Purchasing Agent | \$5000.00 |

5.3 An individual who has been delegated Procurement authority may sign any Procurement document, or Purchase Order, within the limits of their delegated Procurement authority, necessary to complete the Procurement and must ensure that the expenditure is within the approved budget or a spending resolution approved by Council.

5.4 The Chief Administrative Officer will maintain an effective system of written procedures

and controls, including monitoring and reporting, to ensure that all Procurement authority is being properly executed.

- 5.5 All purchasing transactions must be approved by employees charged with the delegated authority for the County and thoroughly documented.
- 5.6 Scope changes to projects will be authorized according to authority.

6.0 The Procurement Process

- 6.1 Procurement activities, regardless of the nature or value of the Goods or Services being acquired, involve the County in legally binding relationships with Vendors. It is essential that employees ensure that consistent ethical business practices are followed and that appropriate documentation is created to reflect the nature and substance of the relationship being established.
- 6.2 Procurement methods reflect the relative value of the Goods or Services being acquired. Procurements are to be conducted in accordance with the following processes:

| Procurement Value | Procurement Process |
|---------------------------|----------------------|
| \$15,000.00 | Direct Purchase |
| \$15,000.00 - \$75,000.00 | Informal Competition |
| \$75,000.00 | Formal Competition |

- 6.3 No Procurement is to be divided in order to avoid the requirements of this Policy or the County's obligations pursuant to the *Agreement on Internal Trade (AIT)* or *New West Partnership Trade Agreement (NWPTA)*.
- 6.4 Where Goods or Services of a similar type are to be supplied on a repetitive basis from one or more Vendors either over a term of contract, period of time, in a calendar year or over the course of a season, those Goods or Services shall be procured in accordance with the Procurement process applicable to Goods or Services having a Procurement Value equal to the total estimated cost of all such similar Goods and Services to be supplied in the term of contract, whole calendar year or during the course of the entire season as the case may be. The appropriate procedure above will be utilized according to the total dollar value.

Direct Purchase (\$15,000.00)

- 6.5 Direct Purchase is reserved for low value/incidental purchases and is intended to expedite the acquisition of Goods and Services and reduce administrative costs.
- 6.6 Direct Purchases may be made using a Purchasing Card or properly authorized Purchase Order.

- 6.7 Employees using Direct Purchase must be able to demonstrate that fair market value was achieved in the Procurement.
- 6.8 Cardholders are responsible for reconciling their Purchasing Card as per the Employee Purchasing Card Agreement.
- 6.9 Employees issuing Purchase Orders are responsible for forwarding all completed Purchase Orders, packing slips, and other documentation to accounts payable for processing.

Informal Competition (\$15,000.00 - \$75,000.00)

- 6.10 A competitive process intended for low to medium dollar value Procurements in which invited Vendors are given a reasonable and equal opportunity to provide the County with Goods and/or Services in response to identifiable needs.
- 6.11 A minimum of 3 quotes must be obtained from Vendors able to supply the Goods or Services, without formal advertising.
- 6.12 Quotes may be by telephone (documented), fax, email or written proposal in response to a Request for Quotation depending on the nature and complexity of the Procurement opportunity.
- 6.13 All information provided to Vendors is to be identical.
- 6.14 The initiating employee may, in consultation with the Chief Administrative Officer, elect to follow the Formal Competition process if deemed appropriate.
- 6.15 The initiating employee shall be responsible for conducting this Procurement process, including but not limited to: drafting specifications; completing any Procurement forms; receiving and evaluating Quotes; issuing the Purchase Order or Contract (as applicable); forwarding documents to records for filing.
- 6.16 If the initiating employee requires assistance in conducting this Procurement process, he or she may consult with the Chief Administrative Officer who may, in turn, obtain legal or other professional advice as required.

Formal Competition (\$75,000.00))

- 6.17 A competitive process in which the relative value of the Procurement opportunity is such that all interested Vendors must be given equal opportunity to provide the County with Goods or Services in response to an identified need.
- 6.18 Opportunities shall be posted electronically to the Alberta Purchasing Connection (APC), or if the Procurement opportunity is Construction, to CoolNet, by the initiating employee.
- 6.19 The selection of the appropriate method of Procurement (i.e., Pre-Qualification, Request for Quotation, Request for Proposal, Invitation to Tender, etc.) is to be determined on a case-by-case basis by the initiating employee, based on the nature of the Procurement

opportunity and level of risk exposure.

- 6.20 The initiating employee shall be responsible for conducting this Procurement process, including but not limited to: drafting specifications; completing any Procurement forms; receiving and evaluating Bids; issuing the Purchase Order or Contract (as applicable); forwarding documents to records for filing.
- 6.21 If the initiating employee requires assistance in conducting this Procurement process, he or she may consult with the Chief Administrative Officer who may, in turn, obtain legal or other professional advice as required

Methods of Procurement: Formal Competition

6.22 When selecting the appropriate method for Formal Competition Procurement in a given case, the initiating employee shall take into account the following characteristics of each method:

(a) Request for Quotation

- Appropriate for low and medium value Procurements for known Goods or Services;
- Requirements and technical specifications are detailed and provided in the document;
- Unless otherwise specifically stated in the Procurement documents, it is a legally binding document between the County and all potential Vendors, in accordance with the terms and conditions attached to the Procurement documents and which forms the awarded Contract;
- Lowest priced response that best meets the specifications will be accepted unless Evaluation Criteria are used in which case the highest ranked Bid will be accepted.

(b) Invitation to Tender

- Commonly used for major Construction projects and other high value Procurements;
- Used when the County knows what to do and how to do it;
- Used primarily when price or cost is the sole award factor; however, it may also be used when criteria other than price are the deciding factor;
- Contains very detailed requirements and technical specifications;
- Terms and conditions are considered mandatory requirements that must be met;
- It is a legally binding document between the County and all potential Vendors, in accordance with the terms and conditions attached to the Procurement documents and which forms the awarded Contract;

- It is intended to accept the lowest priced, compliant bid without negotiations;
- It should be used when a tight market requires security from the potential Vendors.

(c) Request for Proposal

- Appropriate where a need is identified, but how it will be achieved is unknown at the outset;
- Allows Vendors to propose solutions or methods to arrive at an end product or solution;
- Provides Vendors with an opportunity to bid on Goods and/or Services using their unique skills;
- Specifications are general in nature;
- Vendor selection is based on Evaluation Criteria other than only price;
- The County may negotiate specific terms and conditions of the Contract with the selected Vendor following the closing of Bids;
- Used when the County wants to take advantage of the flexibility that the Request for Proposals offers with negotiation options;
- Is not legally binding on either party until the Contract is executed.

Prequalification

6.23 Prequalification reduces legal risks, as qualification takes place without worrying about possible contract lawsuits from disqualified Vendors. It cuts the work load by reducing the number of Vendors at an early stage. At the same time, it enforces the AIT and NWPTA requirements for open and fair competition, having it available to all Vendors.

6.24 Prequalification is recommended when:

- (a) the complexity of the Procurement requires better knowledge about the potential Vendors that may compete;
- (b) a large number of responses are expected and the County's intention is to short-list and approach only short-listed Vendors; and
- (c) the County does not have sufficient information about the Vendors market.

6.25 Prequalification can take the form of an Expression of Interest, Request for Information or Request for Qualification. If the County intends to proceed with the Procurement opportunity, Prequalification must be followed by either the Informal Competition or Formal Competition process, as applicable.

7.0 Specifications

- 7.1 Preparation of the requirements, technical specifications or scope of work for the Goods or Services is the responsibility of the initiating employee.
- 7.2 Specifications must be written in the broadest possible terms. Reference to manufacturers or brand names may only be used for the purpose of indicating quality, character and compatibility and must not denote preference. Specifications should include, but not be limited to: quality, performance, availability of parts or service and any other characteristics as necessary.
- 7.3 Employees must fully consider the "purpose" of the Goods and Services when developing the requirements for the Goods and Services.
- 7.4 Specifications shall contain:
- (a) clear and complete requirements of the Goods or Services;
 - (b) minimum standards expected of potential Vendors;
 - (c) requirements that will permit fair and equitable evaluation to select the successful Vendor;
 - (d) legal requirements that will protect the County by ensuring suitability and acceptability of potential and actual offerings of potential Vendors including financial security and insurance requirements;
 - (e) all mandatory standards that are required of the Goods or Services; and
 - (f) desirable technical standards that are preferred of the Goods or Services.
- 7.5 The acceptability of Alternate or Equivalent Goods or Services should be identified where possible. It must be very clear to all Vendors that the specifications establish minimum requirements only. If substitutions or equivalencies are not acceptable, a statement to this effect must be included in the specifications.

8.0 Advertising and Notifying Potential Vendors

- 8.1 Every effort must be made to ensure the County's requirements are known to the broadest market possible and to all potential Vendors in the acquisition of Goods and/or Services. The County is committed to the following practices:
- (a) All Procurement opportunities over \$75,000. shall be posted on the Alberta Purchasing Connection (Coolnet for Construction) or any successor Government of Alberta Procurement advertising websites;
 - (b) If required by the initiating employee, other advertising options may include: the

County website, regional newspapers, professional associations.

9.0 Bid Opening (Formal Competition)

- 9.1 All Bids received in an Invitation to Tender shall be subject to public opening.
- 9.2 The time, location and conditions of the public opening shall be made known in advance and shall be contained in the Procurement documents provided to potential Vendors.
- 9.3 Only the name of the Vendor and the total cost or price in the Bid is to be released during a public opening.
- 9.4 All Vendors are to be instructed that there will be no award at the public opening and all Bids will be subject to further review and analysis prior to award.
- 9.5 All other aspects of the Bids are to remain confidential prior to award.
- 9.6 Two County representatives (the Director of Corporate Services/Director of Finance or CAO in addition to the Director of the respective Department) are required to attend all public openings for the purpose of reading aloud the Bids received and recording the results.

10.0 Acceptance or Rejection of Irregular Bids (Formal Competition)

- 10.1 The County, in exercising its discretion to waive a minor or non-substantial irregularity in a Bid, shall follow the guidelines provided below:

| | IRREGULARITY | RESPONSE |
|---|--|--|
| 1 | Late Bids (submitted after (e.g. 2:00:00 pm local time on the tender closing day)) | Automatic rejection, do not open the Bid |
| 2 | Unsealed Bids | Automatic rejection, do not open the Bid |
| 3 | Bid not completed in non-erasable medium and not signed in ink | Automatic rejection |
| 4 | Incomplete Bids - partial Bids - all items not bid upon | Automatic rejection except where the tender form clearly states that an award may be made for individual items or where the irregularity is trivial or insignificant |
| 5 | Qualified Bids (condition or restriction on the Bid) | Automatic rejection except where the change is requested by the County, or where the change is trivial or insignificant |

| | | |
|----|--|---|
| 6 | Financial security not submitted or insufficient (Bid Bond, Surety or other) | Automatic rejection |
| 7 | Bid not properly executed (signature or seal) | Automatic rejection |
| 8 | Mathematical errors | May be accepted if corrected in the checking/review procedure. Unit prices shall be used to correct extensions. |
| 9 | Corporate seal or signature of authorized agents of bonding company missing | Automatic rejection |
| 10 | Bids received on documents other than those provided in the Tender | Automatic rejection unless the matter is trivial or insignificant |
| 11 | Erasures, overwriting, corrections, or strikeouts not initialed: a) Changes which are minor (i.e. address, clerical error) b) Unit prices have been changed but not initialed and the Bid totals are consistent with the price as amended c) Unit prices have been changed but not initialed and the Bid totals are not consistent with the prices as amended | May be accepted, time limit given to initial change May be accepted, time limit given to initial change Automatic rejection |
| 12 | Minor clerical errors | May be accepted, time limit given to correct and initial |
| 13 | Other minor irregularities | The Chief Administrative Officer shall have the authority to waive irregularities deemed to be minor and immaterial, using a consistent approach to fair practices. |

11.0 Best Value Considerations

11.1 Purchases shall be at the best value to the County. The County encourages the

consideration of overall cost in the Procurement of Goods and Services, and will consider and evaluate the relevant price and non-price factors prior to commencing the competitive process.

- 11.2 All factors need to be fully considered in determining best value. These include, but are not limited to:
- (a) life cycle costs, i.e. the total cost from the time of acquisition of the goods through disposal (including, but not limited to, price, acquisition costs, operating costs, salvage value);
 - (b) availability;
 - (c) quality and serviceability;
 - (d) warranties;
 - (e) delivery (manner and timing of deliver, and delivery/freight cost);
 - (f) method of purchase/payment; with the intent that the most appropriate method be used for the value of the Procurement to reduce internal processing across all Departments;
- 11.3 Payment terms on large dollar purchases or Contracts may be aggressively negotiated for additional discounts or payment installments/terms.
- 11.4 Delivery of Goods directly to the job site or workplace should be encouraged to reduce internal handling, warehouse and inventory.
- 11.5 Applicable taxes shall not be included in cost comparisons.
- 11.6 Purchases outside of Canada are subject to duty, customs/brokerage charges, freight and exchange on the dollar, all of which are required to be included in cost comparisons.

12.0 Award Considerations

- 12.1 For Procurements that do not have Evaluation Criteria established, the lowest Bid meeting specifications will normally be accepted subject to the specific wording in the Procurement documents. If other than the low Bid is recommended by the initiating employee, written justification must be submitted to the Chief Administrative Officer prior to award. Normally, the only reasons acceptable for selecting other than the lowest Bid are where:
- (a) the lowest Bid does not meet specifications materially;
 - (b) the Vendor submitting the lowest Bid cannot deliver within the time required; or
 - (c) acceptance of the lowest Bid would result in a higher overall or end cost.
- 12.2 Where the recommended Vendor is other than the lowest acceptable Vendor, the award for the Procurement must be approved by the Chief Administrative Officer. When price is not

the sole awarding factor, evaluation and Vendor selection shall be based on Evaluation Criteria which must be identified and included in the Procurement documents provided to potential Vendors. The Evaluation Criteria shall be assigned weighting for analysis of Bids.

12.3 The Evaluation Criteria may include, but is not limited to:

- (a) Project Understanding: the degree of response to the published terms of reference will be of major importance in scoring this criterion. Vendors showing creativity and innovative approaches will score higher;
- (b) Project Experience: previous experience on similar projects is an important selection criterion;
- (c) Staff Allocation: experience of staff allocated and the assignment to specific project components will form the basis of this criterion;
- (d) Estimated Time Required for Project: the importance of this criterion will vary with the particular project;
- (e) Litigation: is the Vendor currently in litigation with the County;
- (f) Amount of Work Completed for the County in the Past: the County strives to provide for more or less of an equitable distribution of available County business among qualified Vendors;
- (g) Past Performance of County Contracts: The quality and performance of previous Contracts, Goods or Services.

13.0 Notification of Successful Vendor

The successful Vendor shall be notified by the initiating Department as soon as possible after evaluation and selection. A Contract or Purchase Order must be issued to confirm the award.

14.0 Unsuccessful Vendor Notification/Debriefing

14.1 Upon completion and award of all Procurements where a Request for Quotation, Request for Proposal or Invitation to Tender has been used, the unsuccessful Vendors in the competition are to be notified that a successful Vendor has been selected. Copies of submitted Bids will not be provided.

14.2 An unsuccessful Vendor may file a complaint with the County for any alleged wrongdoing in the Informal or Formal Competition process or recommendation of award. The County is committed to the highest standards of integrity with respect to dealing with Vendor complaints and any complaint will be handled with fairness and equity for all participants in a Procurement competition. All Vendor complaints are to be referred to the Chief Administrative Officer for review and determination, in consultation with the County's legal advisors.

15.0 Emergencies and Other Exceptions to Competition (Single/Sole Sourcing)

The County requires that Procurement be done on a competitive basis. Further, the County must strictly comply with the AIT and the NWPTA. However, a competitive Procurement process is not required or even possible in all Procurements. Procurement without competition may only occur if one or more of the following conditions apply and a process of negotiation is undertaken to obtain the best value in the circumstances for the County:

- (a) Low value/incidental Procurements subject to Direct Purchase (i.e. [insert Direct Purchase value from Section 6.2 above (e.g. "\$5,000 or less")]);
- (b) Emergency: 'Emergency' purchases should not be the result of poor planning or incorrect allocation of resources. However, a single source acquisition is appropriate where the lack of immediate action could jeopardize County operations or the safety or health of the County's people or property. The Chief Administrative Officer shall be notified immediately of any Emergency Procurements and a written report detailing the circumstances shall be provided to the Chief Administrative Officer, with a report to Council if required.
- (c) Sole Source acquisition where Goods or Services are only available from one Vendor by reason of:
 - (i) a statutory or market based monopoly;
 - (ii) scarcity of supply in the market;
 - (iii) existence of exclusive rights (i.e. patent, copyright or license); or
 - (iv) need to avoid violating warranties or guarantees.

Sole Source acquisitions are not permitted because there is a preference for a particular brand or Vendor. The Chief Administrative Officer shall be notified immediately of any intended Sole Source Procurements and a written report detailing the circumstances shall be provided to the Chief Administrative Officer, with a report to Council if required.

- (d) Exempt Procurements:
 - (i) from philanthropic institutions, prison labour or persons with disabilities;
 - (ii) from a public body or a non-profit organization;
 - (iii) of health services and social services;
 - (iv) of services provided by lawyers and notaries;
 - (v) of goods intended for resale to the public;

- (vi) when the Procurement is of a confidential or privileged nature and disclosure through an open bidding process could reasonably be expected to compromise confidentiality, cause economic disruption or be contrary to the public interest; or
- (vii) in the absence of a receipt of any bids in response to the Formal Competition process.

16.0 General

This Policy defines roles, levels of responsibility, accountability and general processes to govern Procurement activities of the County. This Policy is not, however, an exhaustive, step-by-step procedure guide for every Procurement activity. All employees with delegated Procurement authority are accountable for ensuring that their Procurement activities are in compliance with this Policy and all other applicable policies, procedures, guidelines and legal requirements. Employees are expected to keep up-to-date with proper Procurement practices and ensure the integrity of the County's Procurement process.