

Title: Procurement and Purchasing

Policy No: 9001

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Supersedes Policy No: 1018

Department: Procurement

Review Date: July, 2026



Legal References:

Canadian Free Trade Agreement, 2017.

Canadian-European Union Comprehensive Economic and Trade Agreement, 2017.

Freedom of Information and Protection of Privacy Act, R.S.A 2000, c.F-25.

Guidelines to the Procurement Obligations of Domestic and International Trade Agreements

New West Partnership Trade Agreement, 2010.

Prompt Payment and Construction Lien Act, R.S.A 2000, c.P-26.4.

Cross References:

Bylaw 22-904 Records Retention and Disposition Bylaw”

Policy 9002 “Expenditure Officer”

Policy 9000 “Contract Management”

Policy 2004 “Employee Code of Conduct”

Policy 1042 “Access to Information”

Policy 1029 “Records Management”

Policy 1027 “Signing Authority”

Policy 09-01 “Contract Management”

Policy 09-03 “Expenditure Policy”

Purpose: To establish procurement and purchasing guidelines and controls for Greenview in soliciting goods, services, construction, or intellectual property while ensuring maximum economic, efficient, and effective outcomes for the organization and ratepayers. The following guiding principles drive this work:

- Greenview is subject to trade agreements, primarily the New West Partnership Trade Agreement (NWPTA), the Canadian Free Trade Agreement (CFTA), and the Canadian-European Union Comprehensive Economic and Trade Agreement (CETA). These agreements must be followed for all procurement, purchases, and expenditures within the respective trade agreement thresholds.
- Greenview’s procurement and purchasing practices are grounded in a framework that honours collaborative, respectful, responsible, transparent, consistent, and accountable practices in a manner that aligns with Greenview’s Strategic Plan.

1. DEFINITIONS

1.1. **Administration** means Greenview’s Chief Administrative Officer and employees of Greenview.

1.2. **Best Value** considers the submitted price, quality, quantity, delivery, service, and supplier capacity to meet procurement requirements and other related criteria. The tender documents shall identify the requirements of the procurement, the criteria that will be used in evaluating bids, and the methods of weighting and evaluating the criteria.

- 1.3. **Chief Administrative Officer (CAO)** means Chief Administrative Officer or designate of Greenview.
- 1.4. **CETA** means the *Canadian – European Union Comprehensive Economic Trade Agreement*.
- 1.5. **CFTA** means the *Canadian Free Trade Agreement*.
- 1.6. **Competitive Procurement** means implementing a supply solution through a fair, open, and transparent controlled bidding or proposal process. For example, procurement such as a request for proposals, an invitation to tender, a request for quotes, and a request for prequalification.
- 1.7. **Emergency** means an event that occurs and endangers Greenview elected officials, employees, clients, or the public; or has an imminent risk of disrupting workplace operations or causing catastrophic damage.
- 1.8. **Goods** mean the manufactured item(s).
- 1.9. **Intellectual Property** means the intangible assets owned and legally protected by a company or individual from outside use or implementation without consent. An intangible asset is a non-physical asset that a company or person owns.
- 1.10. **Litigation** means filing an action in a court of law.
- 1.11. **Local Vendor** means a vendor that maintains permanent business premises within Greenview’s corporate limits, including the Town of Fox Creek, the Town of Valleyview, and Sturgeon Lake Cree Nation.
- 1.12. **Greenview** means the Municipal District of Greenview No. 16.
- 1.13. **NWPTA** means the *New West Partnership Trade Agreement*.
- 1.14. **Proper Invoice** means the definition as prescribed in the *Prompt Payment and Construction Lien Act*.
- 1.15. **Proponent, Vendor, Bidder, Supplier, or Respondent** means an individual, business, agency, or organization that intends or puts forward a proposal or response to Greenview on procurement or purchase.
- 1.16. **Procurement** means a strategic process of acquiring goods, services, construction, or intellectual property that consists of six phases: research and planning, tendering, evaluation and awarding, implementation, management, and completion and review.
- 1.17. **Purchasing** is a transactional process of acquiring goods, services, construction, or intellectual property that consists of four phases: placing an order, tracking the order, receiving, confirming an order, and paying for the order.
- 1.18. **Proposal, Response, and Bid** means the submitted documents during procurement or purchase.

1.19. **Service** means any work or duties performed, including any materials provided.

2. POLICY STATEMENT

2.1 Ethics in Purchasing:

- A) Greenview Council hereby establishes a policy for consistent, open, fair, and transparent purchasing practices while ensuring efficient allocation of available resources in accordance with the *New West Trade Partnership Agreement (NWTPA)*, the *Canadian Free Trade Agreement (CFTA)*, and the *Canadian – European Union Comprehensive Trade Agreement (CETA)*. Council prioritizes and considers its duty and responsibility to residents to maximize the value of tax revenue when purchasing goods, services, construction, or intellectual property.
- B) Projects and purchases must be for the total value. They cannot be separated into smaller amounts to avoid procurement and purchasing thresholds. A total contract value of the goods, services, construction, or intellectual property must be used in this value determination. For multi-year contracts, the total combined value must be used.

2.2 Best Value:

- A) Greenview will use the Best Value methodology for all procurement and purchases. This means that Greenview will base its evaluations and purchasing rationale in such a way that allows for selecting the proponent or vendor that offers the Best Value. The Best Value shall consider all relevant costs over the useful life of the purchase or acquisition and is not solely based on the initial or basic contractual cost. This includes evaluations, where the Best Value is generated from the overall combined highest evaluation score in categories that may include but are not limited to the best performance, qualifications, quality, price, and past performance with Greenview or other municipalities.
- B) Greenview may prefer local vendors when procuring goods, services, construction, or intellectual property valued at less than the relevant thresholds prescribed in the NWTPA.

2.3 Disqualification:

- A) For this section, a Proponent, Bidder or Supplier shall be deemed to include any related entity and any partner, principal, director, or officer of such Proponent, Bidder or Supplier as well as any other legal entity with one or more of the same partner(s), principal(s), director(s) or officer(s).
- B) A Proponent, Bidder or Supplier may be excluded from eligibility to submit a bid, proposal, or quote, or a submitted bid, proposal, or quote may be summarily rejected and returned to a Proponent, Bidder, or Supplier where Greenview determines, in its absolute sole discretion that one of the following circumstances has occurred:
 - i. The Proponent, Bidder, or Supplier is or has been involved in litigation with Greenview, its elected officials, or employees;
 - ii. The Proponent, Bidder, and Supplier have failed to pay an amount owed to Greenview when due and owing;
 - iii. There is documented evidence of poor performance, non-performance, or default by the Proponent, Bidder, or Supplier in relation to any contract with Greenview for goods, services, construction, or intellectual property otherwise provided to Greenview;
 - iv. The Proponent, Bidder or Supplier or its personnel have demonstrated abusive behaviour or threatening conduct towards Greenview employees, their agents, or representatives;
 - v. The Proponent, Bidder or Supplier has been convicted of a criminal offense including but not limited to fraud or theft;
 - vi. The Proponent, Bidder or Supplier has been convicted of any quasi-criminal offense pursuant to applicable legislation or regulations, including but not limited to the

- Occupational Health and Safety Act, where the circumstances of that conviction demonstrate a disregard on the part of the Proponent, Bidder, and Supplier for the health and safety of its workers, Greenview employees or the general public;
- vii. In arriving at a determination for the disqualification of a Proponent, Bidder, or Supplier pursuant to this section, Greenview will consider whether the circumstances are likely to affect the Proponent, Bidder, or Supplier's ability to work with Greenview, its consultants, or representatives and whether Greenview's experience with the Proponent, Bidder or Supplier indicates that Greenview is likely to incur increased staff time and/or legal costs in the administration of any dealings with the Proponent, Bidder or Supplier;
 - viii. Based on the severity of the events leading to the disqualification, Greenview shall establish the period during which the disqualification shall be effective. This must be documented and shared with the Proponent, Bidder or Supplier;
 - ix. In the event Greenview concludes that a Proponent, Bidder or Supplier should be disqualified pursuant to this section, it shall first provide written notice to the Proponent, Bidder or Supplier indicating Greenview's intention to disqualify the Bidder or Supplier, its reasons for doing so, and the duration of the intended disqualification. Such notice shall indicate that the Proponent, Bidder or Supplier will have a period of at least fourteen (14) days to respond to such notice in writing, setting out (if the Proponent, Bidder or Supplier so chooses) any reasons it opposes or disputes either the disqualification or the duration of the disqualification; or,
 - x. Any notice of appeal from an affected Proponent, Bidder or Supplier received by Greenview within the time frame set out in section ix shall be reviewed and considered by the CAO, who may either uphold, overturn, or vary the terms of disqualification. Any such decision will be final, not subject to further appeal, and will be communicated in writing to the Proponent, Bidder or Supplier.

3. PROCUREMENT

- 3.1 All procurements must be tendered in alignment with applicable trade agreements and thresholds. This includes, but is not limited to, the timeframe a procurement must be posted for and the website location it is published to. These agreements include but are not limited to the NWPTA, CFTA, and CETA. Please refer to the latest version of the *Guidelines to the Procurement Obligations of Domestic and International Trade Agreements*.
- A) As per the trade agreements, there are some exceptions to procurement in which sole sourcing is permitted. Requests for any materials or services to be supplied by a sole source should be accompanied by a written explanation to their respective Director fully justifying why conditions require the item(s) to be purchased from only one vendor. Consideration for sole source must align with the NWPTA, CFTA, and CETA trade exemptions.
- 3.2 When in the best interest of Greenview, Greenview may utilize the Rural Municipalities of Alberta (RMA), Canoe Procurement, or the Government of Alberta Trade Programs to purchase goods, services, construction, or intellectual property directly from their procurement vendor list. The successful vendor, goods, services, or intellectual property purchased, along with the dollar value, will be reported to Council via the monthly manager's report for all purchases over the applicable NWPTA thresholds.
- 3.3 All emergency procurement and purchases must be completed per Policy 9002 "Expenditure Officer."

4. EVALUATION OF PROPONENTS

4.1 Administration will use an evaluation team of three or more people to evaluate proposals. The evaluation shall be conducted objectively based on the proposal's content and utilizes an evaluation matrix outlined in the procurement document.

5. CONTRACT AWARDING

5.1 Greenview Council reserves the right to award or not award all competitive procurement activities and projects. This includes but is not limited to, Requests for Proposals, Invitation to Tender, Request for Quotations, and other related procurement methods except RMA – Canoe Procurement and Government of Alberta Trade Programs.

5.2 If the contract awarding exceeds the approved operational or capital budget, Administration must request additional funds from Council before awarding the tender and contract.

6. BID BONDS

6.1 Bid bonds are primarily used for the construction of projects and infrastructure. They provide security for a contractor's bid and serve as a means of legal and financial protection. Should the contractor fail to honour the bid terms, Greenview can receive financial compensation for the difference between the current contractor's bid and the next lowest bid. Greenview requires a bid bond of 50% of the bidder's project cost.

7. PURCHASING

7.1 For purchases below the NWPTA thresholds but above \$10,000.00, Greenview must ensure a minimum of three quotes are received and utilize the best value, as noted in section 2.2, for acquiring goods or services.

8. COUNCIL RESPONSIBILITIES

8.1 Greenview Council reserves the right to award all competitive procurement activities and projects. This includes but is not limited to Requests for Proposals, Request for Quotes, Invitation to Tender, and all other procurement methods.

9. ADMINISTRATION RESPONSIBILITIES

9.1 Administration will execute procurement and purchasing processes and authority in alignment with this policy.