

POLICY TITLE: Purchasing Policy	POLICY NUMBER: 278/22	EFFECTIVE DATE: June 9/2022
ORIGIN: Administrator	ADOPTED BY COUNCIL ON: June 9/2022	AMENDED DATE:

1. PURPOSE

To ensure value for all expenditures, control over the purchase of goods and services, fair competition, and to establish limits on purchasing authority so that the Rural Municipality of Pleasantdale No. 398 (“the municipality”) may operate effectively and efficiently.

2. DEFINITIONS

2.0 Administrator

The Administrator of the Rural Municipality of Pleasantdale No. 398.

2.1 Council

Council for the Rural Municipality of Pleasantdale No. 398

2.3 Capital Spending

Refers to any expenditure for an asset with a life expectancy greater than one year

2.4 Operational Spending

Refers to any expenditure on items whose life is normally expected to be less than one year or on repairs and maintenance to longer-term assets.

2.4 Purchases

Any purchases made by the RM that meets the following criteria: conforms to a plan, project approved by RM Council in the budget process; and complies with established spending limits as set out in this *Purchasing Policy*.

2.6 Emergency Operational Purchases

A purchase made by the Administrator/Designate that is required in order to continue operations that is typically needed on short notice that are in the best interest of the municipality.

2.7 Emergency

Means a present or imminent situation or condition that requires prompt action to prevent or limit:

- Harm or damage to the safety, health or welfare of people; or
- Damage to property or the environment

2.8 Documentation

The RM shall document all of its purchasing processes. Agreements are to be engaged for projects and services valued at \$5,000.00 or more, and/or which exceed a 12-month period.

The Administrator's authority to these limitations:

- Council is to be provided with a detailed monthly summary of all purchases, contracts, services over \$10,000.00
- all purchases up to \$10,000.00 unless stated in policy
- Resolutions of Council are required for ALL purchases /contract/service greater than \$10,000.00
- Council approval shall be obtained before a Public Tender is drafted and sent out.
- All professional services over \$5,000.00 value must be hired by resolution of council.

4.3 The Administrator shall ensure that all purchase requests are formally documented using "**Appendix C**" and bear spending authority.

5.0 Specific Spending Thresholds and Requirements

5.1 For procurement of goods and services greater than \$10,001.00; the RM shall utilize a competitive, open and transparent purchasing process. Without limiting the generality of the foregoing, the tender/quotation process shall exhibit the following criteria:

- The evaluation criteria set out in paragraph 2.14 of this Policy shall be applied to every bid to determine the Lowest Evaluated Bid.
- The tender package must be advertised on the national electronic tendering service (www.sasktender.com), municipal web site and other published periodicals as directed by Council.
- Bid period will be appropriate for the item being tendered and the tender will set out the bid period.
- Tender packages shall be complete with full disclosure of all information available related to the project.
- Tender package shall be complete with reasonable estimation of all quantities.
- Tender opening shall be in public. If the RM bids on its own project it shall submit a copy of its tender package to the Saskatchewan Association of Rural Municipalities twenty-four (24) hours in advance of tender opening.

5.2 In the event that three written prices cannot be obtained, a written explanation shall be included on **Appendix C**.

5.3 Notwithstanding sections 5.1, when the RM is capable of completing a project, Council may determine that the work will be done without competitive practices and Council may authorize municipal staff and equipment to perform the work.

6. Evaluating Bids

6.1 In every competitive procurement process, the RM shall include the following rights in every bids solicitation:

- 1) the bid evaluation process will be conducted at the discretion of the RM, and the RM may decide to utilize other criteria other than those set out

above. Without limiting the generality of the foregoing, the price to complete the work is not the only or primary criterion to be used by the RM in awarding the contract;

- 2) No bidder shall have any claim for any compensation of any kind whatsoever, as a result of participating in a Tender, and by submitting a proposal each proponent shall be deemed to have agreed it has no claim;
- 3) Waive minor non-compliance at its sole discretion;
- 4) Seek clarification or verification from bidders regarding any or all information provided by them with respect to the bid solicitation;
- 5) Contact any or all references to verify and validate any information provide by them;
- 6) Request, before the award of any contract, specific information with respect to bidder's legal status;
- 7) RM may choose not to accept any bid;
- 8) All bidders shall disclose all companies that will be performed work in their bid whether it is for goods or labour.

7. **Awarding Contracts**

All tenders will be evaluated based on the evaluation criteria set out in the tender to determine the lowest evaluate bid.

7.1 Where there are equal bids, the RM may award to either bidder. For the purpose of making this decision the RM may ask for additional information from, or negotiate with, either or both bidder. Within thirty (30) days, the appropriate RM Official shall notify, in writing, all unsuccessful bidders who submitted bids.

7.2 All tenders shall be open publically; however details shall not be disclosed. Disclosure shall be limited to a summary of qualified submissions received. In cases, where the lowest evaluated bid is not the lowest dollar bid, the total scores of all bids received will be made public within thirty (30) days but not individual criteria scores or the individual weighted evaluation.

Council reserves the right to allow sufficient time to evaluate all tenders and may, at its sole discretion, extend the thirty (30) day provision. Council will provide notice to all bidders in this case.

7.3 All contracts shall be executed prior to the commencement of work and/or acceptance of goods/services as provided in **Appendix B**. Contracts shall be prepared for all goods and services that are provided over an extended period of time or require ongoing payments. Purchasing contracts exceeding \$10,001.00 will require a resolution of council prior to such expenditure or execution of a contract. The Administrator must complete and attach the "Approval of Execution of Agreement /Contracts" form to the contract.

7.4 Once contracts or agreements are signed and approved, the approval of progress payments or monthly payments set out in the contract shall be submitted to Council to obtain approval prior to making the payment.

8. Responsibilities

- 8.1** The RM Administrator shall be responsible for interpretation of this Policy.
- 8.2** The person responsible for initiating the purchase shall ensure that all capital items acquired have been identified in the Budget and fully approved by Council prior to acquisition.
- 8.3** This policy cannot be amended without Council approval but all Appendices may be amended from time to time.
- 8.4** This policy shall come into effect on June 9/2022

Appendix A

Request for Tender/Quotation

Date _____

Name _____

Must be received by _____ p.m. on _____, 20____

Please send tenders quotations/tender) clearly marked

(name of tender)

To RM of Pleasantdale No. 398
Box 70
Naicam, Sask. S0M 2G0
OR
rm398@sasktel.net

DETAILS OF TENDER/QUOTATION

(details/document that outlines the details)
Background, Purpose, Scope, Proposal Documents/Specifications, Submission Guidelines,
Selection Criteria, Selection Process, Terms and Conditions

OPTIONAL CLAUSES: Tender/Quotations shall remain open for acceptance by the RM and are
irrevocable for thirty (30) calendar days following the date specified for tender closing.

_____ YES _____ NO

CONTACT PERSON

Enquiries regarding the tendering procedure and particulars should be directed to:

(name of individual)

(contact information)

WEIGHTED CRITERIA should be established prior to tendering the good or service.

Appendix B

Reeve and Council

Approval for Execution of Agreements/Contracts

Date _____

1. Agreement/Contract (Name) _____

For _____ Execution OR _____ Review and Comment

2. The attached Agreement/Contract is recommended for approval in accordance with:

- _____ Purchasing Of Goods and Service Policy
- _____ Approved through 20____ budget
- _____ Resolution of Council at a meeting held _____
- _____ Bylaw No. _____ - _____
- _____ Other; AND IF
- _____ Deposit /Payment has been received

3. In accordance with the terms and conditions provided within the attached Agreement/Contract the following documentation is attached and/or has been distributed:

- _____ Liability Insurance Certificate
- _____ Worker's Compensation Board Clearance or 5% Holdback
- _____ Surety/Performance Bond
- _____ Necessary plans, drawings, maps, addendums, schedules or other supporting documents are attached
- _____ Copy of the payment/progress schedule
- _____ Executed and Sealed if Corporation

I have reviewed all of the provisions in the Agreement/Contract and recommend same for Council approval and execution by the RM's proper signing officers.

_____ (Administrator)

Appendix C

Project Approval Checklist

As per RM of Pleasantdale Purchasing of Goods and Services Policy

Project Name _____

Date _____

Project Description _____

Process Results (circle appropriate answer)

Yes ___ No ___ N/A ___ Phone Quotes = \$500.00-\$5000.00 (attached) Yes ___ No ___ N/A ___
Yes ___ No ___ N/A ___ Written Quotes = \$5000.00 and up (advertised) Yes ___ No ___ N/A ___
Yes ___ No ___ N/A ___ Written Quotes (attached) Yes ___ No ___ N/A ___

- 1. _____ \$ _____
- 2. _____ \$ _____
- 3. _____ \$ _____
- 4. _____ \$ _____
- 5. _____ \$ _____

Recommended Supplier _____

Amount _____ Budget Acc't _____

Comments _____

Approval Required

Yes ___ No ___ Administrator \$0-\$9,999.00 _____
Yes ___ No ___ Council Approved over \$10,000.00 _____
Yes ___ No ___ WCB Letter of Good Standing _____
Yes ___ No ___ Copy of Insurance _____

If three quotes are not obtained, please state reasons _____

