



PURCHASING/PROCUREMENT POLICY

Policy Introduction

As the Rural Municipality spends large sums of money purchasing goods and services, it is necessary to establish a policy to govern how such goods and services are purchased. The purpose of this policy is to provide guidelines for the purchase of goods and contracting for services by the Rural Municipality of Whitemouth.

1. Policy

- 1.1 All purchases shall be authorized by Council, either through the budget approval process or a motion passed in an open meeting of Council.
- 1.2 The purchase of goods and services less than \$500 that are within the budget of the department shall be made with the written approval of the department head.
- 1.3 For purchases or service contracts from \$500 to \$5,999.99, quotations shall be obtained, as per the quotation procedures outlined below.
- 1.4 For purchases of and in excess of \$6,000.00, tenders or requests for proposals shall be used, as per the procedure outlined below.
- 1.5 The CAO shall ensure that funds are available in the Municipal budget, or as a result of the cancellation of projects or savings in various areas.
- 1.6 The purchase of goods and services shall be from the supplier that can provide the required quality of good(s) or service(s) at the lowest cost to the Municipality, except as noted in subsection below.

2. Quotations

- 2.1 For purchases or expenditures under \$1,000.00 the department head shall, if possible, obtain a minimum of two written quotations. The purchaser should also ensure that there are

sufficient funds available in the department budget for the purchase.

- 2.2 For purchases or expenditures from \$1,000.00 to \$5,999.99, the department head shall, where possible, obtain a minimum of two written quotations, CAO approval, and ensuring that sufficient funds are available in the department budget.
- 2.3 Notwithstanding Emergency Situations.
- 2.4

3. Tendering or Calls for Proposals

- 3.1 Tenders shall be called for all expenditures of or in excess of \$6,000.00, at the discretion of Council, and the recommended bidder shall be subject to approval by Council.
- 3.2 If funds for the purchase are not allocated in the budget, alternate funding sources are to be determined.
- 3.3 Tender calls shall be advertised at least once in the appropriate newspaper(s) not less than ten days prior to the closing date.
- 3.4 Tenders are to be opened in the Municipal Office on the date and at the time specified in the tender documents.
- 3.5 Tender openings shall be open to the public and be conducted by Council.
- 3.6 Tenders that do not meet the terms, conditions and specifications set out in the tender package shall be rejected.
- 3.7 Tenders received after the set date and time of closing shall be returned unopened.
- 3.8 No alteration shall be made to a tender after opening.

4. Tenders by Invitation

- 4.1 Tenders shall be called for all expenditures of or in excess of \$6,000.00, at the discretion of Council, and the recommended bidder shall be subject to approval by Council.
- 4.2 If funds for the purchase are not allocated in the budget, alternate funding sources are to be determined.
- 4.3 Tenders are to be opened in the Municipal Office on the date and at the time specified in the tender documents.
- 4.4 Tender openings shall be open to the public and conducted by Council.
- 4.5 Tenders that do not meet the terms, conditions and specifications set out in the tender package will be rejected.

- 4.6 Tenders received after the set date and time of closing shall be returned unopened.
 - 4.7 No alteration shall be made to a tender after opening.
5. Tenders shall be awarded to the lowest bidder, which shall take into account:
- 5.1 The bidder's ability to provide the good or service as specified within the time specified without delay or interference.
 - 5.2 The documented quality of previous goods and services provided to the Municipality;
 - 5.3 The ability of the bidder to provide future maintenance and service.

In consideration to the above:

The Municipality reserves the right to reject any or all bids, to waive irregularities and informalities therein, and to award the project in the best interest of the municipality in its sole discretion.

In cases where criteria other than those established in subsection above are used to award tenders, these criteria shall be clearly stated in the tender documents.

Information on tenders received will be made available to all bidders.

Accepted as Policy on February 12, 2019, by **Resolution No. 44/19**