

	<h1 style="text-align: center;">Town of Cochrane Policy</h1>
<p>Policy No.: Policy Title: Approval Date: Revision Date: Department:</p>	<p>1709-01 Procurement Policy January 24, 2022 (RES #29/01/22) Corporate Services</p>

Policy Statement

The purpose of this Policy is to detail the principles, procedures, roles and responsibilities for the Town’s Procurement program. This will ensure the Town and Suppliers are working from the same statement of expectations, rules and commitments that clearly outline what is required when contracting with the Town of Cochrane (Town). The Policy ensures the Town’s compliance to all municipal regulations. It is also intended to set out best practice to protect the Town from liability and risk, and to ensure the Procurement of Deliverables paid for are enforceable. The Procurement Policy sets consistent processes for the Procurement requirements for the Town of Cochrane and includes guiding principles under which its business needs will be met, within the designated authority.

1. Objectives and Principals

- 1.1 The Town is committed to conducting its Procurement program in accordance with the following principles:
- a) Compliance and consistency with applicable legislation, policies and procedures;
 - b) Open, fair and transparent processes that afford equal access to all qualified Suppliers;
 - c) Reciprocal non-discrimination and geographic neutrality with respect to its trading partners in accordance with trade treaty obligations;
 - d) Achieving Best Value through consideration of the full range of Procurement formats and the adoption of commercially reasonable business practices;
 - e) Incorporates sustainability including Environmental Sustainability, Economic Sustainability and Social Sustainability;
 - f) Effective balance between accountability and efficiency; and

- g) Ensuring adherence to the highest standards of ethical conduct.
- 1.2 The Town of Cochrane will comply with Procurement practices legislated under the Canadian Free Trade Agreement (CFTA), the Trade, Investment, and Labour Mobility Agreement (TILMA) and the New West Partnership Trade Agreement (NWPTA).
- 1.3 In addition, the guiding principles are based on Canadian competitive Bid practices and are in accordance with the policies and administrative directives of the Town of Cochrane.
- 1.4 Communicate a clear and accountable Procurement process to the public and administration.

2. Definitions

- 2.1. "Best Value" means relevant financial and non-financial factors which may include:
- Quality of the Goods and Services;
 - Delivery, Deliverables and performance commitments;
 - Supplier experience, performance history and demonstrated ability to successfully perform the Contract, including service and support capacity;
 - Risk and compliance management, including safety practices and history;
 - Environmental Sustainability;
 - Economic Sustainability;
 - Social Sustainability;
 - Encouragement of Diverse Suppliers;
 - Public policy objectives identified as elements in the proposal and evaluation process;
 - Total cost of ownership, which may consider factors such as:
 - Purchase or Contract total cost;
 - Costs of delay or performance failures;
 - Administration and Contract management costs;
 - Extensions, change orders, total cost change and cost escalation;
 - Cost of additional features, enhancements, upgrades, etc.;
 - Limitations associated with proprietary or patent rights or constraints;
 - Legal or technical costs;

- Shipping and packaging;
 - Transition and training costs;
 - Licensing costs;
 - Regular and ongoing maintenance;
 - Lifecycle costing;
 - Warranty, parts and repair; and/or
 - Disposal and remediation costs.
- 2.2. "Bid" means a submission in response to a Solicitation Document, and includes proposals, quotations or responses.
- 2.3. "Bidder" means a Supplier that submits a Bid and includes proponents and respondents.
- 2.4. "Construction" means construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes the 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.
- 2.5. "Competitive Process" means Open Competitions, Invitational Competitions and Limited Competitions.
- 2.6. "Contract" means a commitment by the Town for the Procurement of Deliverables from a Supplier, which may be evidenced by an agreement executed by the Supplier and the Town or a Purchase Order issued by the Town to the Supplier.
- 2.7. "Deliverables" means any Goods, Services or Construction, or a combination thereof.
- 2.8. "Economic Sustainability" means providing and enhancing the Services, infrastructure and conditions that sustain a healthy, diverse and resilient local economy in which businesses of all sizes, and their employees, can flourish.
- 2.9. "Emergency" means an unforeseeable situation or event occurs that is a threat to any of the following public health and/or safety; the maintenance of essential services; the welfare of persons or public property; or the security of the Town's interests.
- 2.10. "Environmental Sustainability" means protecting and enhancing the climate, ecology and natural resources for future generations through approaches that reduce carbon dependency, enhance

energy resilience, conserve energy and resources and reduce waste and toxins.

- 2.11. "Goods" means goods produced, manufactured, grown, or obtained in, used for a commercial purpose in, or distributed from a party.
- 2.12. "Immediate Family" means one's spouse or adult interdependent partner, children, parents, siblings, or the parents of the spouse or adult interdependent partner.
- 2.13. "Invitational Competition" means a Competitive Process in which an invitation to submit Bids is issued to at least three Suppliers.
- 2.14. "Local Supplier" means person, firm, or corporation located within The Town, which has a current business license, unless exempted from the requirement.
- 2.15. "Low Value Purchases" means any procurement of deliverables with a value below the Low Value Procurement Threshold set out in Schedule B, except where the procurement is made through an existing Standing Offer or Preferred Supplier Roster.
- 2.16. "Open Competition" means the solicitation of Bids through a publicly posted Solicitation Document.
- 2.17. "Procurement" or "Purchasing" means the acquisition of Deliverables by purchase, rental or lease.
- 2.18. "Procurement Value" means the total value of the Deliverables being procured and must include all costs to the Town in Canadian dollars using the Bank of Canada exchange rate including, as applicable, acquisition, maintenance, replacement, disposal, or training, delivery, installation and extension options, less applicable rebates or discounts and exclusive of sales taxes. The Procurement Value will also include any additional phases in the project.
- 2.19. "Purchasing Card" means a credit card provided by the Town to authorized officers and employees for use as a payment method to purchase directly from Suppliers where permitted under the Procurement Policy and the P-Card Policy in accordance with any cardholder agreement and applicable procedures.
- 2.20. "Preferred Supplier Roster" means a list of Suppliers that have participated in and successfully met the requirements of a Request for Supplier Qualifications (RFSQ), and have therefore been pre-qualified to perform discrete work assignments involving the delivery of a particular type of Deliverables.
- 2.21. "Procurement Manual" means detailed instructions to provide guidance to purchasing processes.
- 2.22. "Section" means the branch, department, division or unit of the Town that is requisitioning the purchase of the Deliverables.

- 2.23. "Section Manager" means the Managers of the branch, department, division or unit of the Town that is requisitioning the purchase of the Deliverables.
- 2.24. "Services" means services supplied or to be supplied, by a person.
- 2.25. "Social Sustainability" means cultivating and sustaining vibrant, creative, safe, affordable and caring communities for the wide diversity of individuals and families who live in, work in and visit the Town.
- 2.26. "Solicitation Document" means the document issued by the Town to solicit Bids from Bidders.
- 2.27. "Standing Offer" means a written offer from a pre-approved Supplier to supply Deliverables to the Town, upon request, through the use of an ordering process during a particular period of time, at a predetermined price or discount, generally within a pre-defined dollar limit.
- 2.28. "Supplier" means a person carrying on the business of providing Deliverables.
- 2.29. "Town" means the Town of Cochrane

3. Application

- 3.1. The Town of Cochrane Procurement Policy applies to the Procurement of all Deliverables by a Town of Cochrane employee or Council member on behalf of the Town. This policy governs the acquisition of Deliverables, by purchase, rental or lease, with municipal funds from all sources including but not limited to operating and capital funds.
- 3.2. The exceptions to the Procurement Policy can be found within the Procurement Manual.

4. Procurement Approvals and Contracting Authority

4.1. Delegated Approval Authority

4.1.1. The Schedule of Delegated Authority Approval Limits, attached as Schedule A to this Policy, sets out the delegated authorities and approval limits for:

- a) approving the initiation of a Procurement;
- b) approving the award of a Contract; and
- c) approving amendments to existing Contracts.

4.2. Conditions of Delegated Approval Authority

4.2.1. Delegated approval authorities are subject to the following conditions:

- a) No Procurement may be initiated unless approved budget in an amount sufficient to cover the Procurement Value is available. All unbudgeted purchases must be approved by Council prior to Procurement.
 - i. Where a Contract will exceed more than one budget year, the Department shall ensure that the budgeted funds are available to meet the requirement.
- b) No Contract award may be approved unless approved budget in an amount sufficient to cover the Procurement Value is available and the Procurement process was conducted in accordance with this Policy.
- c) No Contract may be entered into, either through the issuance of a purchase order or the execution of an agreement, unless approved budget in an amount sufficient to cover the Procurement Value is available, the procurement process was conducted in accordance with this Policy and the contract award has been approved in accordance with this Policy.

4.3. Delegated Contracting Authority

4.3.1. Contracting authority is the authority to enter into a Contract with a Supplier on behalf of the Town. A contract may be entered into through the execution of a legal agreement and/or the issuance of a purchase order evidencing the contract.

4.3.2. Contracting authority is the authority to sign contracts in the name of the Town and is delegated in accordance with the Signing Authorities Policy. This is not authority to approve the award of the contracts through a competition process and negotiate where applicable, as that right and final decision-making is in control of the Section Managers.

4.3.3. Legislative Services will review all Contract documentation received against the mandatory requirements and contact the Section regarding any missing information as detailed in the requirement checklist for Deliverables.

4.4. Contract Splitting

4.4.1. Subdividing, splitting or otherwise structuring Procurement requirements in order to reduce the value of the Procurement or in any way circumvent the requirements or intent of this Policy is not permitted and, at the discretion of the Executive Director of Corporate Services or designate, may result in revocation of delegated approval authority.

4.4.2. Sections are responsible for ensuring all appropriate internal approvals are obtained and internal processes are followed prior to engaging in any Procurement activity.

4.5. Agreements

4.5.1. A formal Contract is required to protect the Town and Supplier against legal requirements, insurance and Town liability. This is regardless of Procurement Value. An agreement will need to be used if the Deliverables meets one or more of the following criteria:

- a) If the providers are delivering Services on Town Property where Town liability exists;
- b) Services that involve on site activity and ongoing responsibilities by Supplier;
- c) Services are being performed by Supplier on private property on behalf on the Town;
- d) Established for purchase of Goods that involve ongoing servicing; and/or
- e) Goods are received where there are ongoing responsibilities after payment.

4.6. Emergency Purchases

4.6.1. Notwithstanding any other provisions of this Policy, where an emergency exists, an Executive Director, or their designate, may authorize any officer or employee to acquire required deliverables in an expedited manner within Delegated Authority Approval Limits (see Appendix A).

4.6.2. For the purposes of this Policy, an emergency exists when an unforeseeable situation or event occurs that is a threat to any of the following:

- a) public health and/or safety;
- b) the maintenance of essential services;
- c) the welfare of persons or public property; or
- d) the security of the Town's interests.

4.6.3. Situations of urgency resulting from the failure to properly plan for a procurement do not constitute an emergency.

4.7. Standard Procurement Methods

4.7.1. Preferred Suppliers Roster

Preferred Supplier Roster is a list of Suppliers that have participated in and successfully met the requirements of a Request for Supplier Qualifications (RFSQ) and have therefore been pre-

qualified to perform discrete work assignments involving the delivery of a particular type of Deliverables. Suppliers can be added to the Preferred Supplier Roster either through an Invitational Competition or Open Competition. There are no values attached to the Suppliers on the Preferred Supplier Roster and employees are still expected to follow the requirements within this policy. Further information on Preferred Supplier Roster is set out in the Procurement Manual.

4.7.2. Cooperative Procurement

The Town may participate in cooperative or joint Procurement initiatives with other entities where such initiatives are determined to be in the best interests of the Town. If the Town participates in such cooperative or joint Procurement initiatives, the Town may adhere to the policies of the entity conducting the Procurement process, provided that such policies comply in spirit with this Policy. If the Town is leading a cooperative or joint Procurement initiative, this Policy will be followed. The CFTA requires any municipality interested in participating in a buying group to publish a declaration of its intent to participate in a buying group. The Town is required to publish the notification on the Town's website and Alberta Purchasing Connection (APC), for a minimum of two weeks.

4.7.3. Standing Offers

Standing Offers allow for standardization of Goods and Services, saves time and money, build relationships with Suppliers.

Standing Offer are used to meet recurring needs when Sections or agencies are repeatedly ordering the same Goods or Services. They may also be used when a Section or agency anticipates a need for a variety of Goods or Services for a specific purpose; however, the actual demand is not known, and delivery is to be made when a requirement arises. Common Goods and Services include office supplies and equipment, engineering Services, consulting Services, repair Services, etc. Standing offers can be arranged with more than one Supplier for the same Goods or Services. This way we can be sure that Goods or Services will always be available.

4.7.4. Standard Procurement Methods

Depending on the nature, value and circumstances of the Procurement, the Town may procure Deliverables through the following standard Procurement methods. Purchases must be purchased in accordance with the Procurement Thresholds set out in Schedule B.

For the purpose of a lease or a Contract, the purchase shall be considered in total amount of the lease or Contract.

a. Low Value Procurement

Where the Procurement Value is below the Low Value Procurement Threshold, Sections are only required to obtain one quote for the Deliverables. However, Sections are encouraged to obtain multiple competitive quotes to ensure they are obtaining Best Value.

When procuring low value Deliverables, consideration should be given to obtaining quotes from Local Suppliers whenever possible. Quotes from Local Suppliers may be accepted if the price is within 5% of the lowest quote obtained.

If a Section anticipates making multiple Low Value Procurements of the same deliverables and the total value of those procurements may exceed the Low Value Procurement Threshold, the Section must contact Legislative Services to discuss the possibility of setting up a Standing Offer or Qualified Supplier Roster.

b. Invitational Competition

Where the Procurement Value is above the Low Value Procurement Threshold and below the Open Competition Threshold, Sections are required to conduct an Invitational Competition. Sections are expected to obtain a minimum of three written competitive quotes and award to the Bid that provides the Best Value. Sections will need to provide each Supplier with identical information.

Section Managers are responsible and accountable for all Invitation Competition decisions and transactions. All documentation related to Low Value Purchases must be retained by the Section Managers and may be subject to review in accordance with this policy. Documentation requirements can be found in the Procurement Manual.

When inviting Suppliers to participate in Invitational Competitions, consideration should be given to including qualified Local Suppliers whenever possible. In Invitational Competitions where evaluation and selection are based solely on price, Bids from Local Suppliers may be accepted if the Bid price is within 5% of the lowest Bid, provided that the Solicitation Document clearly discloses that such a preference will be given.

If a Section anticipates making multiple Low Value Procurements of the same Deliverables and the total value of those procurements may exceed the Low Value Procurement Threshold, the Section may contact the Contracts Administrator to discuss the possibility of setting up a Standing Offer or Preferred Supplier Roster.

An Open Competition may be conducted in lieu of an Invitational Competition, where the Section Manager determines that it would be in the Town's best interest.

All Invitational Competitions must be conducted in accordance with the

c. Open Competition

An Open Competition, in which Bids are solicited from all interested Suppliers through a publicly posted Solicitation Document, is the standard method of Procurement when the Procurement Value equals or exceeds the Open Competition Thresholds. Open Competitions may also be used to establish Standing Offers.

Open Competitions may include two-stage Procurement processes in which a prequalification process is conducted by soliciting and evaluating submissions from all interested Suppliers in order to establish a short-list of prequalified Suppliers that will be eligible to submit a Bid in response to a second-stage Solicitation Document. A two-stage Procurement process may be used whenever determined appropriate by Legislative Services, in consultation with the Section.

All Solicitation Documents must be reviewed by Legislative Services prior to being publicly posted. Solicitation Documents must be posted on the Alberta Purchasing Connection (APC), the Town website, the Town's eProcurement platform, and any other media methods as deemed necessary by Communications.

- Legislative Services will be responsible to ensure the Solicitation Documents are posted on the required platforms.

In accordance with the Town's trade agreement obligations, no preference will be given to Local Suppliers in an Open Competition.

All Open Competitions must be conducted in accordance with the Procurement Manual.

In addition, if the value of Goods and Services is greater than \$75,000 and Construction contracts are greater than \$200,000 Procurement of Deliverables at these thresholds shall be undertaken in accordance with the Trade, Investment and Labour Mobility Agreement (TILMA), New West Partnership Trade Agreement (NWPTA) and the Canadian Free Trade Agreement (CFTA).

4.7.5. Sole Source and Single Source

Sole Source Purchases may ONLY be conducted for obtaining Deliverables of any value without a Competitive Process when:

- a) there is only one available Supplier of a required Goods or Services that meets the needs of the Town, subject to regular review;

- b) no alternatives or substitutions exist;
- c) the Procurement aligns with the exceptions in accordance with the Trade, Investment and Labour Mobility Agreement (TILMA), New West Partnership Trade Agreement (NWPTA) and the Canadian Free Trade Agreement (CFTA).; or
- d) the Deliverables have a Procurement Value below the Low Value Procurement Threshold.

Negotiation should be used to complete the terms and conditions for this Procurement.

Single Source Purchase may ONLY be used for the purchase of Deliverables without a Competitive Process when Legislative Services confirms:

- a) a Competitive Process has been conducted in accordance with this Policy and has not resulted in the receipt of any Bids;
- b) only one Bidder was able to meet the requirements of the Deliverables such as, but not limited to
 - i. where the compatibility of a purchase with existing equipment, facilities or service is a paramount consideration and the purchase must be made from a single source;
 - ii. purchase from another Supplier would violate warranties and guarantees where service is required;
 - iii. maintenance of specialized products that are required to be maintained by the manufacturer or its representatives; or
 - iv. exclusive copyrights and patents
- c) where an item is purchased for testing or trial use;
- d) where the Town purchases supplies for resale;
- e) where the Town has a rental Contract with a purchase option and such purchase option could be beneficial to the Town; or
- f) for matters involving security or confidential issues, a purchase may be made in a manner that protects the confidentiality of the Supplier or the Town.

If Deliverables are Sole Sourced or Single Sourced, reasons need to be documented on the Record of Solicitation Form, located in the Procurement Manual, and retained.

Additional Procurement Procedures

4.7.6. **Fleet Vehicles**

Fleet and related Fleet Services must be purchased as per the Fleet Asset Management Purchasing Administrative Directive.

4.7.7. **Contract Negotiation**

Where the Solicitation Document provides for negotiation to take place, Sections may engage in negotiations with potential Suppliers. Any proposed changes to the standard Contract terms and conditions must be reviewed by Legislative Services prior to finalizing the Contract.

4.7.8. **Purchasing methods**

a) Purchase Order

Purchase Orders are preferred as per the Procurement Manual and/or as per Finance requirements.

b) Purchasing Card

For Goods and Services less than the Low Value Procurement Thresholds the preferred method of payment for purchases shall be with the Purchasing Card, in accordance with the Town's Purchasing Card program (Administrative Directive No. 802). This does not negate the need for appropriate Contract documentation and process.

c) Direct Pay Invoice

A direct pay invoice can be used to purchase and pay for certain limited goods and/or services without a purchase order. A check or Electronic Funds Transfer will be issued to the vendor.

4.7.9. **Award Notifications**

a) Invitational Competition

Sections are responsible for notifying Bidders of the outcome of an Invitational Competition.

b) Invitational Competition

Once the successful Proponent of an Open Competition has been awarded (not after the Contract has been signed). Section Managers are responsible to notify Legislative Services. Under Alberta Purchasing Connection (APC) requirements Proponents have 10 days to protest the award, from the time of posting on APC. Award notification responsibilities include:

- Legislative Services will publish Contract award information, including successful Supplier and total lump sum Bid amount, on the same platforms the original Solicitation Documents were posted.
- Section managers will notify individual successful and unsuccessful Proponents.

The total amount Bid as a lump sum is releasable upon request. No unit breakdowns or per unit costs are to be provided, as this information is proprietary.

Award Notifications must meet the requirements as per the trade agreements (Trade, Investment and Labour Mobility Agreement (TILMA), New West Partnership Trade Agreement (NWPTA) and the Canadian Free Trade Agreement (CFTA)).

4.7.10. **Debriefings**

Supplier in both Open Competitions and Invitational Competitions may request a debriefing of their submission. When requested, debriefings must be scheduled with and conducted in accordance with the Procurement Manual.

4.7.11. **Procurement Protests**

A Supplier that is not satisfied with the results of a Bidder debriefing may file a complaint.

The Procurement complaint process set out in this protocol is meant to provide an opportunity for the Supplier to voice complaints and to assist the Town in identifying any gaps or shortcomings in its Procurement policies and practices. The process is intended to help resolve issues that involve no significant factual or interpretive disagreement between the parties. It is not intended to resolve fundamental disputes over facts or legal rights and obligations or to establish a mechanism to adjudicate such disputes.

The Procurement complaint process will under no circumstances result in any Contract award being set aside by the Town. The Procurement complaint process set out in this protocol shall not be used to challenge a Procurement process in respect of which the Bidder has commenced legal proceedings against the Town.

Suppliers may wish to protest the Procurement decision either by contacting the Town of Cochrane or going

through the Bid Protest Mechanism (as per the Alberta Connection Website).

Suppliers may protest a decision directly through the Town of Cochrane by contacting the Authorized Contact Person, listed in the Solicitation Document. A Supplier that wishes to file a complaint must do so by submitting a request in writing to the Authorized Contact Person within sixty days from notification of award of Contract. The request must include:

- A clear statement as to which Procurement the Bidder wishes to file a complaint
- A clear explanation of the Bidder's concerns with the Procurement, including specifics as to why they disagree with the Procurement process or its outcome
- The Bidder's contact detail including name, phone number and email address.

Bid Protest Mechanism – Alberta Purchasing Connection

If a Supplier believes that a specific Procurement was conducted in a manner that is inconsistent with the obligations of any of the following agreements (CFTA, TILMA, and NWPTA), that supplier may use the Bid Protest Mechanism, set out in the trade agreements, to challenge the decision of the procuring entity.

4.7.12. Contract Finalization

Contracts must be finalized, approved and entered into in accordance with this Policy. A Contract must not be entered into unless approval is given from Legislative Services. The Contract must be in place prior to the delivery or provision of the Deliverables.

4.7.13. Contract Management

Establishing Contract management are critical to the success of Procurement projects. Contracts and Standing Offers will be managed in accordance with the Procurement Manual.

a) Contract Management

All Contracts for Deliverables must be managed by the Section in accordance with the Procurement Manual.

b) Change Orders

Change Orders for Deliverables must be managed by the Section in accordance with the Procurement Manual.

c) Supplier Disqualifications

Suppliers can be disqualified from participating in future Procurement opportunities for any one of the following:

- Failure to honour a Bid
- Failure to disclose a conflict of interest
- Unethical bidding practices
- Convicted of Bid rigging, price fixing or collusion
- Inadequate performance

The process for disqualification must be in accordance the Procurement Manual.

4.7.14. Local Preferences

Consider the following rules for preferring a Local Supplier:

- a) Procurement of Goods, Services and Construction projects shall follow guidelines set out in the Trade, Investment, and Labour Mobility Agreement (TILMA), the New West Partnership Trade Agreement (NWPTA) and Canadian Free Trade Agreement (CFTA)
- b) When procuring Low Value Deliverables consideration should be given to obtaining quotes from Local Suppliers whenever possible. Quotes from Local Suppliers may be accepted if the price is within 5% of the lowest quote obtained.
- c) Refer to Schedule B - Procurement Thresholds and Local Preference Guidelines for Local Supplier Thresholds.

5. Sustainability Procurement

- 5.1. The Town's Procurement activities will be conducted with consideration of Economic, Environmental and Social Sustainability where practical. Sections should consider the inclusion of evaluation criteria which reflects these factors where applicable.

6. Conflict Of Interest

- 6.1. All procurement activity must be conducted with integrity so as to maintain the public's trust.

6.1.1. Internal Conflict of Interest

All participants in a procurement process, including all members of the evaluation team, must ensure that there are no undeclared internal conflicts of interest. Additional guidance regarding employee conflict of interest is available in the Human Resources Administrative Directive.

Employees may not seek or receive personal gain when Purchasing for the Town.

Employees who are responsible for managing or supervising a Contract:

- a) Are prohibited from providing any Goods or Services related to the Contract.
- b) Are prohibited from arranging a Contract involving a business in which a member of the employee's immediate family has a financial interest or holds a position of authority or influence except when the purchase is at competitive prices and in the ordinary course of business of the Supplier.

6.1.2. Supplier Conduct and Conflict of Interest

The Town requires its Suppliers to act with integrity and conduct business in an ethical manner. All Suppliers participating in a Procurement process or providing Deliverables to the Town must declare any perceived, possible or actual conflicts of interest. The Town may refuse to do business with any supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage or fails to adhere to ethical business practices.

7. Confidentiality & Access to Information

- 7.1. Government Purchasing may be subject to review, including public review on the part of elected officials and media exercising the right of access under the FOIP Act. Per the FOIP Act, Section 17(2) a disclosure of personal information is not an unreasonable invasion of a third party's personal privacy if the disclosure reveals financial and other details of a Contract to supply Goods or Services to a public body. Suppliers are responsible for identifying those parts of their submissions which they believe should be held in confidence but there must be a reasonable expectation of probable harm that will constitute damage or detriment, and not mere inconvenience. Absolute confidentiality cannot be guaranteed for any submission.

8. Compliance

- 8.1. Non-compliance with this Policy may expose the Town to the risk of:

- a) Supplier complaints;
- b) reputational damage;
- c) damage to political relations;
- d) Bid disputes; and
- e) legal challenges.

8.2. Section Managers are required to observe and address non-compliance with this Policy within their Sections. Where instances of non-compliance are identified, the Section Manager is expected to notify Legislative Services and obtain advice with respect to mitigating potential risks to the Town arising from the noncompliance.

8.3. Legislative Services is responsible for monitoring compliance across the organization. Based on the results of compliance monitoring, reports outlining instances of noncompliance may be issued by Legislative Services to the relevant Section Managers. The Section Managers must address the identified compliance concerns and submit a written confirmation of actions taken to Legislative Services. Ongoing concerns with respect to compliance may be subject to audit.

9. Audit

9.1. All Procurement activities will be subject to audit by CAO or designate.

10. Document Retention

10.1. Sections will keep files up to date for reasons of good management, for the purposes of record retention, access to information requests, litigations, as well as for audit trails related to the Procurement of Deliverables. Document retention must be in accordance with the Procurement Manual and Document Retention Policy. Documentation and reports regarding procurement processes and contract awards and data necessary to trace the process conducted electronically must be maintained as per the Document Retention Policy.

11. Responsibilities

11.1. As public servants, we serve the Town of Cochrane residents by acquiring Deliverables required to achieve the objectives approved by the Town of Cochrane. As public servants we are committed to upholding the democratic, professional, ethical and people values therefore compliance with this Policy is required. All staff have the responsibility to Ensure the entire Procurement process conforms to the highest standards of ethical conduct.

- 11.2. **Town Council to:**
 - 11.2.1. Approve by resolution this policy and any amendments.
 - 11.2.2. Consider the allocation of resources for successful implementation of this policy in the annual budget process.
- 11.3. **Chief Administrative Officer to:**
 - 11.3.1. Implement this policy and approve procedures.
 - 11.3.2. Ensure policy and procedure reviews and internal audits occur.
- 11.4. **Executive Director to:**
 - 11.4.1. Ensure implementation of this policy and procedure.
 - 11.4.2. Ensure that this policy and procedure is reviewed periodically.
 - 11.4.3. Make recommendations to the Chief Administrative Officer of necessary policy or procedure amendments.
- 11.5. **Director to:**
 - 11.5.1. Ensure implementation of this policy and procedure.
 - 11.5.2. Ensure that this policy and procedure is reviewed periodically.
 - 11.5.3. Ensure employees are aware of and following this policy and procedure.
- 11.6. **Manager of Legislative Services to:**
 - 11.6.1. Provide professional and legal expertise related to complex and extreme to high-risk public procurement matters and procurement contracts.
 - 11.6.2. Participate as a team member in highly complex and extreme to high-risk major capital projects.
 - 11.6.3. Notify the appropriate Department Manager, respective Director, and the Executive Director of Corporate Services of all situations that may be unethical, illegal, or place the Town in a position of unacceptable risk.
 - 11.6.4. Ensure employees are aware of this policy and procedure.
 - 11.6.5. Support employees with expertise related to procurement risk management activities.
 - 11.6.6. Provide procedures for procuring Deliverables.

11.6.7. Work closely with the Financial Services in developing and providing training to internal and external stakeholders.

11.7. **Manager of Financial Services to:**

11.7.1. Implement systems and processes to improve efficiencies.

11.7.2. Monitor procurement and contracting activities throughout the organization to ensure they are in compliance with the Procurement Policy and Manual.

11.8. **Supervisor to:**

11.8.1. Understand, and adhere to this policy and procedure.

11.8.2. Ensure employees are aware of this policy and procedure.

11.9. **All Employees to:**

11.9.1. Understand and adhere to this policy and procedure.

11.9.2. Responsible for consistently applying this policy and all protocols to all Procurement projects and transactions.

11.9.3. Responsible for applying this policy and all protocols to all Procurement projects and transactions.

11.10. **Suppliers:**

11.10.1. Be aware of this policy and procedure.

11.10.2. Avoid action that would jeopardize public servants' ability to respect their obligations under this policy.

12. References

12.1. Some of the relevant legislation, trade agreements, and reference documents include (these are amended from time to time):

12.1.1. **Acts and Trade Agreements**

- Freedom of Information and Protection of Privacy Act
- [Canadian Free Trade Agreement \(CFTA\)](#)
- Trade, Investment, and Labour Mobility Agreement (TILMA)
- New West Partnership Trade Agreement (NWPTA)
- Guidelines to the Procurement Obligations of Domestic and International Trade Agreements

12.1.2. **Administrative Directives**

- CAO Delegation of Authority Administrative Directive
- Fleet Asset Management – Administrative Directive – No. 704

- Business Expenses – Administrative Directive – No. 801
- Purchasing Card Program – Administrative Directive – No. 802
- Information Technology AD 906
- Records and Information Management– Administrative Directive – No. 1101-01
- Health and Safety – Administrative Directive – No. 1001-03

12.1.3. **Policies**

- Capital Project Cost Estimate Development Policy – Policy 1706-01

13. Enquiries

- 13.1. Should there be any enquires regarding this policy contact the Manager of Financial Services and/or the Senior Accountant.

14. Review Process

- 14.1. This policy will be evaluated every 3-5 years and revised as needed.

15. End of Policy

Schedule A
Schedule of Delegated Authority Approval Limits

Delegated Approval Authority	Approval Limit (net of GST)
Any authorized permanent Town employees (full or part-time)	\$2,000 and under
Manager and/or Supervisor level positions	under \$25,000
Director level positions	under \$75,000 for Goods and Services and under \$200,000 for construction
Executive Director and Chief Administrative Officer level positions	\$75,000 and over for Goods and Services and \$200,000 and over for construction

The delegated authorities are authorized to:

- a) approve the initiation of a Procurement if the estimated Procurement Value does not exceed the specified approval limit;
- b) approve the award of a Contract if the Procurement Value does not exceed the specified approval limit; and
- c) approve amendments to existing Contracts if the increase in the value of the Contract does not exceed the specified approval limit except if the amendment results in a cumulative increase in the value of the Contract exceeding 15% of the original Contract value in which case the amendment must be approved by the Executive Director and the Director of the applicable Section.

**Schedule B
Procurement Thresholds and Local Preference Guidelines**

1. Low Value Procurement Thresholds

	Purchase Value	Procurement Specifications
Goods and Services	\$24,999 and Under	Sourcing <ul style="list-style-type: none"> Prerogative of Purchases Consideration to be given to Local Preferences Payment <ul style="list-style-type: none"> P-Card can be used as per authorized limits AND as per P-Card Policy OR Approved Invoice as per Delegated Approval Authority
Construction	\$49,999 and Under	

2. Invitational Competition Thresholds

	Purchase Value	Procurement Specifications
Goods and Services	\$25,000 to \$74,999	Sourcing <ul style="list-style-type: none"> Three or more written quotes, if available (2 Local Suppliers, if possible) Consideration to be given to Local Preferences Documented and Sent to Legislative Services Signed Contract, as per Procurement Policy Payment <ul style="list-style-type: none"> Approved Invoice as per Delegated Approval Authority
Construction	\$50,000 to \$199,999	

3. Open Competition Thresholds

	Purchase Value	Procurement Specifications
Goods and Services	\$75,000 and Above	Sourcing <ul style="list-style-type: none"> Formal Competitive Process Documented and Sent to Legislative Services Signed Contract, as per Procurement Policy Payment <ul style="list-style-type: none"> Approved Invoice as per Delegated Approval Authority
Construction	\$200,000 and Above	