



Policy Title Purchasing and Tendering Policy		Adopted By Council Resolution 2024-012	Policy Number FIN 2024-004	
Origin/Authority Council	Jurisdiction Town of Dundurn		Amended Policy	Pages
Reviewed By Administration			Effective Date:	7

Purpose:

It is the policy of the Town of Dundurn to acquire goods and services on a competitive basis to ensure best value is received for the taxpayers and to ensure procurement is transparent, accessible and equitable.

To provide a guideline for staff and council with regards to the purchase of goods and services. In this policy a vendor is any provider of goods or services. For the purposes of this policy an agreement for lease/rental shall be subject to the same process. This policy is to encourage and stimulate competitive purchasing. It is the responsibility of all who have been delegated the authority to commit funds through the purchasing function to adhere to this policy.

Definitions

- (1) “**CAO**” means the Chief Executive Officer for the Town of Dundurn
- (2) “**low total cost**” means the overall cost of a product, service, or project, taking into account not just the initial purchase price but also the costs associated with maintenance, operation, and any other related expenses over its entire lifespan. It involves considering all the costs associated with a particular decision or investment, rather than just focusing on the upfront price. By analyzing and minimizing the total cost, individuals or businesses can make more informed decisions and achieve greater cost-efficiency in the long run.
- (3) “**request for proposals**” means a formal invitation to suppliers to describe how their services, methods, equipment or products can address or meet specific needs of the Town of Dundurn
- (4) “**request for quotations**” means a process whereby municipal staff request quotations for goods and services
- (5) “**traditional tender**” means a formal, competitive, sealed bidding process for goods and services defined by clearly stated criteria and specifications, in respect of which an award can be made without negotiation



1. Contracts related to tenders shall not be awarded unless the goods or services have been budgeted for or otherwise approved by the Town Council.
2. Before any contract is awarded, a contractor, must complete the contractor information form (Schedule A), provide proof of insurance and a Workers Compensation Clearance Letter.

3. Guidelines Governing Requests for Proposals, Requests for Quotations and Traditional Tenders:

Request for proposals are normally used for professional services or when a supplier is invited to propose a solution to a problem, requirement or objective. In order to preserve confidentiality of sensitive commercial information contained in a proposal, the proposal will not to be open to the public but will be opened in the presence of at least two representatives of the Town of Dundurn. An award of a contract based upon a request for proposals will be made to the supplier whose proposal is determined to be the most advantageous to the Town of Dundurn based upon the criteria as set out in the request for proposals and equitably applied to all proposals.

Request for quotations process will normally be sought from two suppliers, having regard to the value of the goods and services, the shipping or travel cost and the amount of time available before the goods and services are required to be available. Quotations shall be sought in writing, but when time does not permit the obtaining of written quotations, the quotations may be obtained verbally. A written record of any verbal quotation, including the time, date, supplier, price and description of the goods and services, the person from whom the quotation was obtained and the name of the municipal staff obtaining the quotation is kept on file (Schedule B).

Traditional Tenders, the tenders shall be sealed and opened in public.

4. Procurement Policy Principles:

All procurement carried out by the Town of Dundurn shall be carried out with a view:

- a. to ensure equitable, open and transparent process for the acquisition of goods and services by the Town of Dundurn
- b. to avoid any temptation towards or appearance of dishonesty, corruption or favouritism in the procurement of goods and services;
- c. to encourage competitive bidding wherever possible and, in any event, to minimize the Town of Dundurn's cost of acquiring goods and services;
- d. to utilize suppliers who can be expected to provide satisfactory performance;

5. Purchasing personnel are to:

- a. Seek to obtain and purchase all goods and services at the lowest possible total cost considering the guidelines of prices, service, quality, operating costs, delivery and vendor's past performance.



- b. Formulate specifications for use in bid requests to allow for the maximum number of bidders, recognizing the occasional need for purchasing items of a specific nature.
- c. Maintain consistent purchasing practices and make the determination as to the most effective method of procurement depending on value, time and circumstances involved.
- d. Validate the reasonableness of all prices paid for goods and services considering market conditions

6. Reporting of Contracts Awarded

All contracts awarded for in excess of \$5,000 (not including sales tax) shall be reported to Council.

- 7.** Unless an employee has approval authority, he/she is required to obtain appropriate approval of each purchase transaction in advance of the purchase.
- 8.** The Chief Administrative Officer is responsible for designating those who have purchasing authority, their purchasing limits and keeping and maintaining an accurate list of such. The CAO may delegate their purchasing limit to other staff/council as needed, keeping accurate records of such. The CAO may suspend the purchasing limit of anyone under this policy subject to review within seven (7) days by the Finance Committee.
- 9.** Fragmentation of purchases shall not be used to circumvent approval limits or limits requiring quotations and tenders. (i.e. If a project requires several items totaling over \$10,000, you may not order each item individually in order to avoid the requirement for competitive bidding).
- 10.** Competitive bids are to be solicited for all supplies, materials, equipment and services (with the exception of personal or professional services) over \$40,000 (excluding taxes, delivery and/or mileage). This policy recognizes the occasional need for purchasing items of a specific nature or in emergency situations. The CAO will determine which of the following methods will be used based on the circumstances and magnitude of the required purchase.
 - a. Projects/Purchases under \$40,000
 - Estimated total cost (without tax or shipping/mileage) under \$40,000
 - Sole Sourced with the option for request for proposal or request for quotations.
 - b. Projects/Purchases \$40,000 to \$75,000
 - Estimated total cost (without tax or shipping/mileage) \$40,000 to \$75,000
 - INVITATIONAL TENDER – request for proposal or request for quotations
 - Minimum# of tenders: Two (2); unless only one (1) received in required time.
 - Hardcopy/Fax/Email quotations/bids accepted
 - Time for vendor to provide price: One working week.



c. Projects/Purchases \$75,000 and over

- Estimated total cost (without tax or shipping/mileage) \$75,000 and over
- OPEN PUBLIC TENDER
- Minimum# of tenders without having to re-tender: Three (3)
- Hardcopy/Fax/Email quotations/bids accepted
- Time for vendor to provide price: Two working weeks unless only one (1) received in required time.
- Formal tender process may involve consulting engineers.

11. The CAO will submit purchases to Council for prior approval in the following instances:

- a. Purchases in excess of \$10,000.
- b. Purchases where other than Low Total Cost is recommended.
- c. Purchases where the budgeted amount is exceeded by more than 10%.

12. During the bid, quotation, tendering process all information with respect to competitor prices and services is confidential. Thereafter all such information is available to the public upon request.

13. The municipality/administration may maintain a list of firms/vendors/consultants qualified to undertake products and services for the municipality. The list to be kept up to date and maintained on a regular basis. This may include sending out an annual call/letter requesting information from multiple service providers.

14. In considering vendors, the following criteria may be considered:

- a. Technical expertise of the vendor for the task required
- b. Availability of proper/preferred equipment for the task
- c. Capability to execute contract within the timeframe required
- d. Past performance in municipal activities
- e. Availability for follow-up
- f. Local knowledge
- g. Scale of rates to be charged
- h. Other relevant factors

15. For proposals/tenders/quotations going to Council for consideration, they are to be first evaluated by the CAO and any appropriate department heads and a short list to be prepared and given to Council with recommendations.

16. Purchasing Limits

- a. CAO may directly authorize purchases under \$10,001 unless the purchase will put a budgetary item more than 10% over budget, in which case additional approval from the Finance Committee will be required prior to approval.



- b. Public Works Supervisor may directly authorize purchases under \$5000 unless the purchase will put a budgetary item more than 10% over budget, in which case additional approval from administration is required prior to purchase.
- c. Mayor may directly authorize purchases under \$1000 unless the purchase will put a budgetary item more than 10% over budget, in which case additional approval from the Finance Committee is required prior to purchase.



CONTRACTOR INFORMATION					
Name: _____					
Registered Business Name (if applicable): _____					
Contact Person: _____					
Address: _____					
Unit Number	Street	City	Province	Postal Code	
Email: _____			Phone/Cell _____		

SCOPE OF WORK TO BE COMPLETED	
Civic Address: _____	
Work to be completed: _____	

LIABILITY INSURANCE
Please provide a copy of liability insurance – minimum 2 million liability coverage

WORKERS COMPENSATION BOARD
Please provide a letter of good standing from Workers Compensation Board

SIGNING BELOW IS AGREEANCE TO THE FOLLOWING:	
<ul style="list-style-type: none">All OH&S safety requirements are to be followed	
I certify that all information contained within this application is correct.	
_____ Signature	_____ Date



VERBAL REQUEST FOR QUOTATION					
Supplier: _____					
Name of Person verbally supplying quote: _____					
Address: _____					
Unit Number	Street	City	Province	Postal Code	
Email: _____			Phone/Cell _____		

PRICE AND DESCRIPTION OF GOODS OR SERVICES
Description of Goods or Services: _____
Price _____

DATE AND TIME QUOTE OBTAINED
Date: _____
Time: _____

NAME AND SIGNATURE OF EMPLOYEE OBTAINING VERBAL QUOTE:	
I certify that all information contained within this quote is correct.	
_____ Signature	_____ Date