



R.M. of Lumsden No. 189 Policy

Title: **Procurement Policy**
Effective: July 29, 2021 (Resolution No. 2021-341)
Amended: March 6, 2025 (Resolution No. 2025-091)

Policy Statement

1. PURPOSE

The purpose of this policy is to develop a fair and consistent approach with all procurement activities that are completed by the RM and to ensure that procurement complies with the requirements of the New West Partnership Trade Agreement (NWPTA).

2. DEFINED TERMS

The terms used in this policy are defined as follows:

- a) "Best Value" – means conducting procurement in a fashion which allows consideration of factors beyond price in determining which supplier proposal provides the greatest overall benefit to the RM.
- b) "CAO" – means the Chief Administrative Officer.
- c) "Competitive Bid" – means the formal process used to identify and request goods and services the RM needs, so that potential service providers can review those requests and submit bids for them.
- d) "Council" – means the council for the RM of Lumsden No. 189.
- e) "Group Purchasing Organization" or "GPO" – means a group that aggregates the purchasing volume of its members for various goods and services and develops contracts with suppliers through which members may buy at group price and terms if they choose to. (ie. SARM Purchasing Programs)
- f) "Invitation to Tender" or "ITT" – means a procurement approach that is primarily used in construction projects and other large purchases where the RM identifies what they want and how the work will be done or the good supplied.
- g) "Non-competitive Bid" – means an approach whereby the RM either selects one company to provide the goods or services or invites certain suppliers to bid. The RM doesn't open the process to every potential supplier.
- h) "NWPTA" – means the New West Partnership Trade Agreement.
- i) "Procurement" – means the overarching function that describes the activities and processes to acquire goods and services.

- j) “Purchasing” – means the process the RM uses to acquire goods or services to accomplish its goals.
- k) “Request for Proposal” or “RFP” – means a procurement approach for complex goods and services that uses multiple predetermined evaluation criteria including price, to evaluate innovative solutions proposed by suppliers.
- l) “Request for Quote” or “RFQ” – means a procurement approach for requesting suppliers to provide a quote on exact specifications of a good or service, smaller in size and scope.
- m) “RM” – means the RM of Lumsden No. 189.
- n) “Single Sourcing” – means a procurement approach whereby a particular supplier is chosen, and the competitive procurement process is bypassed.
- o) “Sole Sourcing” – means procurement from a supplier when that supplier is the only one capable of meeting the RM’s requirements and specifications.
- p) “Sustainable Purchasing” – means the purchasing of products and services that have a reduced effect on human health and the environment when compared with competing products or services.
- q) “Unsolicited Proposal” – means written application for a new idea submitted to the RM for the purpose of obtaining a contract.

3. SCOPE

This policy applies to all employees, Council, and contractors of the RM who engage in the purchasing of goods, services and construction services with RM funds.

4. GUIDING PRINCIPLES

All procurement of goods, services and construction services by the RM will be handled with consideration of the following fundamental principles:

- a) Transparency – An open, fair, and consistent process for the procurement of all goods, services and construction projects that will ensure the best value for dollar spent.
- b) Regulatory Compliance – Adhering to procurement laws and regulations, and trade agreements.
- c) Best Value – The procurement process should be carried out in a fashion which allows consideration of factors beyond price in determining which supplier proposal provides the greatest overall benefit to the RM.
- d) Accountability – Procurement processes are being followed and the correct resources are being used to meet RM goals.
- e) Fairness – Upholding the highest level of integrity that shall be carried out with suppliers or other persons involved in a procurement project.

5. POLICY

5.1 Authorization of Procurements

All purchases for goods, services, and construction services must be approved in writing by authorized person(s) identified in section 6.2 (Purchase Approval) of this policy prior to conducting the procurement.

5.2 Procurement Process

To minimize risk and support financial sustainability, the RM shall acquire goods and services in accordance with this policy.

5.3 Open and Fair Competition

The RM shall follow all relevant trade agreements, such as the NWPTA, and will acquire goods and services in an open, fair and transparent manner. The RM shall give equal opportunity by posting competitive bids on SaskTenders website if the value of the goods and services to be acquired are over the thresholds identified in section 6.1 (Procurement Process) of this policy, unless otherwise specified in this policy.

5.4 Sustainable Purchasing

When possible, the RM shall integrate environmental and social factors when making purchasing decisions. Environmental and social factors that should be considered include, but are not limited to:

- Minimization of packaging
- Environmental impact
- Responsible practices
- Reduced shipping costs

5.5 Best Value Considerations

The RM shall consider all components of cost in the procurement of goods and services, including, but not limited to, acquisition cost, operating costs, life cycle costing, availability, serviceability, and delivery. The RM shall consider the relevance of price and non-price factors before it begins a Competitive Bid procurement process.

6. PROCEDURES

6.1 Procurement Process

Required procurement process based on procurement value for **Goods and Services**:

Procurement Threshold	Minimum Process	Process Required
\$0 - \$10,000	Single Source	• Single source purchases may be made OR • Utilize a GPO
\$10,000 - \$30,000	Non – Competitive Bid	• Three quotes of any type (phone, email, or written) OR • Utilize a GPO
\$30,000 - \$74,999	Non-Competitive Bid	• Three written quotes are required OR • Utilize a GPO
Equal to or greater than \$75,000 -	Competitive Bid	• Full open competition (i.e.: ITT, RFP, RFQ) is required • Must be posted on SaskTenders OR • Utilize a GPO

Required procurement process based on procurement value for **Construction**:

Procurement Threshold	Minimum Process	Process Required
\$0 - \$50,000	Single Source	• Single source purchases may be made
\$50,000 – \$199,999	Non-Competitive Bid	• Three written quotes are required.
Equal to or greater than \$200,000	Competitive Bid	• Full open competition (i.e: ITT, RFP) is required • Must be posted on SaskTenders

For full open competition procurement, whether for Goods and Services or Construction, all bids must be submitted by email, mail, or hand delivery directly to the RM's office, except in cases where a conflict may exist under Section 6.6, "Conflict of Interest." In such instances, to ensure transparency and prevent any potential bias or undue influence, bids will be submitted directly to the RM's Municipal Auditor, or other trusted source, who will oversee their receipt. Specific submission instructions will be outlined in the tender document.

6.2 Purchase Approval

All purchases of goods or services shall be considered authorized by Council via the budgeting process, unless otherwise stated in policy.

The authority to approve procurements exceeding the budget for goods, services, and construction is as follows:

Purchase Amount	Item type	Authorization Required
\$5,000 or less	Supplies Office expenditures Tools Equipment	CAO & Foreman
\$5,000 and above	All goods and services	Council

6.3 Group Purchasing Organization

The RM may join a GPO to purchase goods and services. This shall be done through a Council resolution. Each GPO has its own process for members and can provide guidance with how this should be done.

6.4 Unsolicited proposals

Any Unsolicited Proposals, whether made by email, phone call or otherwise, shall be directed to the CAO for their review. If it is determined that there is a legitimate need for the goods and/or services offered by way of an Unsolicited Proposal to the RM, then a procurement process shall be conducted in accordance with this policy and applicable procedures.

6.5 Non-Competitive Procurement

There may be emergency situations where the RM is unable to conduct a Competitive Bid to procure goods or services of a value exceeding the established thresholds. The use of the exceptions in the NWPTA in appropriate circumstances are acceptable under this policy. When using Non-Competitive procurement, the RM will document the reasoning for using this method.

6.6 Conflict of Interest

Conflicts of Interest may occur when an RM employee or member of Council has a direct or indirect relationship with a supplier or a potential supplier. Employees and members of Council shall disclose any conflict of interest as soon as it comes to their attention.

6.7 Supplier Agreements

All supplier agreements shall be signed by the Reeve and either the CAO or the Director of Finance.

6.8 Dispute Resolution

Where a supplier of goods and services wishes to dispute the outcome of a bid after a debriefing with the procurement contact, the dissatisfied supplier must file their bid protest with the procurement contact that engaged in the procurement process, who will bring it to the attention of Council to assist in

bringing resolution.

6.9 Record Keeping

Information submitted by suppliers and any other relevant information involved in obtaining prices for goods and services through a Competitive Bid procurement process, shall be retained for six (6) years.

6.10 Non-Compliance

Failure to adhere with the policy may result in disciplinary action.

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