

Municipal Tendering and Procurement Policy



Policy	ADMIN 1-2025
Date Approved:	March 13 th , 2025
Resolution No.	2025-046
Amended:	

1. PURPOSE

The purpose of this policy is to establish guidelines for the purchase of goods and services, and construction projects undertaken by the Municipality of Pembina, and for the sale of municipal capital assets. It will ensure compliance with the Manitoba *Municipal Act* and other relevant procurement legislation, municipal bylaws, and resolutions.

2. PRINCIPLES

The following principles will guide the procurement practices of the Municipality of Pembina and the process for the sale of municipal capital assets.

- An open, fair, and consistent process for the procurement of goods, services, and construction projects that will attempt to ensure the best value for a dollar spent.
- A procurement process that encourages competitive bidding for the supply of goods and services.
- An open, fair, and consistent process for the sale of surplus assets that will ensure the best value for assets sold.
- Accountability of the Municipality for the procurement of goods and services and the disposal of surplus assets.

3. DEFINITIONS

Bid: A competitive bid received from a supplier in response to a verbal or written Request for Quotation, a Request for Proposal, or a Formal Tender.

Bid Opportunity: A publicly advertised invitation for suppliers to submit bids for the provision of goods or services through a Request for Quotations, a Request for Proposals, or a Formal Tender.

Bonding: Requirement for various types of security such as bid bond, performance bond, labour and materials bond, or other financial security that may be required as

a means of ensuring the successful bidder executes the contract providing financial security for the Municipality.

Evaluation Criteria: Specific and measurable pre-determined matrix created in order to evaluate bid submissions.

Goods: means all types of personal property (e.g. machinery, gravel, office supplies, computer hardware, land etc).

MERX: An electronic tendering website (<http://www.merx.com>). The Municipality will advertise on the MERX website in accordance with the Canadian Free Trade Agreement (CFTA) Article 504-3(b) and the New West Partnership Trade Agreement (NWPTA) Article 14(c).

Bidder Pre-Qualification: The screening of potential bidders on factors such as, but not limited to, experience, ability, past performance, and financial capability in order to develop a list of qualified bidders who will receive the bid solicitation.

Procurement: The acquisition of goods, services, or construction, including rentals and leases.

Reference Documents: Any specifications, guidelines, policies, drawings, or standards, or any other documentation that may be appended to or referenced in any Bid Opportunity.

Services: All types of services, including construction (e.g. consulting, engineering and design, accounting and auditing, legal, maintenance, operation and repair of buildings, machines, or equipment etc).

Sole Source Purchase: A purchase where there is only one vendor capable of providing an item or service in a feasible manner making it impractical to obtain competitive bids.

4. PROCUREMENT GUIDELINES

The value of the goods and services is the total financial commitment resulting from the procurement, including any premiums, fees, commissions, interest, duty, freight, and applicable taxes.

The Municipality of Pembina credit cards and charge accounts are intended for Municipal purposes only. Any other use must be immediately reported to the Chief Financial Officer (CFO) and/or Chief Administrative Officer (CAO). Any charges incurred unrelated to Municipal business or unauthorized charges must be repaid immediately and employees may be subject to disciplinary action.

Evaluation Criteria: Specific and measurable pre-determined matrix

The following guidelines will be followed for the purchase of goods and services:

- Up to \$10,000 – For the acquisition of goods and services with a value of up to \$10,000, no quotations will be required. Funds are to be identified in the municipality's financial plan.
- Between \$10,000 and less than \$49,999 – For the acquisition of goods and services with a value of more than \$10,000 and less than \$50,000, three (3) quotations will be required.

These quotations must be obtained in writing, except during a State of Local Emergency where due to immediate need and time constraints, normal procurement methods cannot be followed.

- \$50,000 or more – For the acquisition of goods and services of more than \$50,000, typically of a capital nature, the municipality will obtain multiple written quotations or bids. These quotations or bids must be obtained in writing, except during a State of Local Emergency where due to immediate need and time constraints, normal procurement methods cannot be followed.
- Goods and services equal to or greater than \$75,000 and construction projects equal to or greater than \$200,000 – For the acquisition of goods and services equal to or greater than \$75,000 and construction projects equal to or greater than \$200,000, Bid Opportunities will be advertised on the National electronic tendering system (MERX) (www.merx.com) and/or another system that is low cost, easy to use, and readily accessible across Canada, in accordance with the terms of MASH Annex 502.4 and the New West Partnership Trade Agreement.

The Municipality of Pembina is not required to accept a bid if it decides not to proceed with the purchase, if all bids are too high, or if none meet the needs, requirements, or stipulations of the Municipality. The Municipality of Pembina retains the right to reject the lowest or any bid, at its sole discretion.

5. METHODS AND PROCESSES OF PROCUREMENT

The Municipality of Pembina will use the following methods of procurement:

- Sole Source Purchase
- Bidder Pre-Qualification
- Request for Quotations
- Request for Proposals
- Formal Tender

The method selected will be dependent on the size and type of the purchase.

6. ADVERTISING BID OPPORTUNITIES

All bid opportunities solicited through a Request for Quotations, Request for Proposals, or a Formal Tender will be posted on the Municipality of Pembina website and may be advertised in the Sentinel/Hometown View, or equivalent.

All bid opportunities for the procurement of goods and services valued equal to or greater than \$75,000 and construction projects valued equal to or greater than \$200,000 will be advertised on the National electronic tendering system (MERX) (www.merx.com) and/or another system that is low cost, easy to use, and readily accessible across Canada, in accordance with the terms of MASH Annex 502.4 and the New West Partnership Trade Agreement.

All quotations, proposals, and tenders will be directed for submission to tenders@pembina.ca, sealed envelope delivery or through MERX, where they will remain closed for review until the submission deadline to ensure impartiality and fairness.

The provision of Bonding may be required to mitigate the risks incurred by the Municipality through the duration of a project. Bonding requirements must be explicitly requested in the Request for Quotations, Request for Proposals, or Formal Tender documents or any applicable Reference Documents.

7. AWARD OF CONTRACTS

No elected official or employee of the Municipality shall knowingly cause or permit anything to be done or communicated to anyone that could cause any potential bidder to have an unfair advantage or disadvantage in obtaining a contract for the supply of goods, services, or construction to the Municipality .

Quotations, proposals, and tenders will be awarded using the evaluation process (if any) that is specified in the procurement documents. Generally, the Municipality of Pembina will award contracts to the bid that provides the best combination of value to the local taxpayers in terms of combined total cost and quality of the good or service.

Bids will be reviewed by a minimum of two Municipal employees.

The Municipality of Pembina is not required to accept any bid if the municipality decides not to proceed with the purchase or project.

When all factors are equal, in terms of price, quality, suitability, service, and delivery, the Municipality of Pembina may give preference to a “local” supplier.

The Municipality of Pembina may enter into a contract with the successful bidder. The form of the contract will be determined by the Municipality.

8. **POST-AWARD APPROVALS**

Once a Bid Opportunity is awarded, Senior Management may approve cumulative changes up to 10% of the Total Contract Price or the maximum of their authorized limit, whichever is less, if within budget for the approved current year's Financial Plan.

9. **APPROVAL AUTHORITY**

Authority to approve procurement of goods or services will follow a tiered scale and require incremental managerial seniority as the value of the purchase increases. Such approval shall be documented as a signature on the respective invoice. The tiered scale of approval is as follows:

Tier 1 - Purchases less than or equal to \$2,500

Staff who have been designated by an authorized manager may procure goods and services with a value of less than or equal to \$2,500, as long as the expenditure is contained in the Municipality of Pembina's annual Financial Plan.

Tier 2 - Purchases less than or equal to \$7,500

Staff in the following positions have authority to procure goods and services with a value less than or equal to \$7,500, as long as the expenditure is contained in the Municipality of Pembina's annual Financial Plan:

- Chief Financial Officer
- Public Works Manager
- Utility Foreman

Tier 3 - Purchases less than or equal to \$30,000

Staff in the following positions have authority to procure goods and services with a value less than or equal to \$30,000, as long as the expenditure is contained in the Municipality of Pembina's annual Financial Plan. Staff in Tier 1 or 2 wishing to procure goods and services with a value between \$7,500 and \$30,000, which are identified in the annual Financial Plan, will require the approval of one of the following positions:

- Chief Administrative Officer

Tier 4 - Purchases in excess of \$30,000

When the Municipality of Pembina desires to procure goods or services:

- with a value estimated to exceed \$30,000, or
- where the acceptance of the low bid is not recommended by staff, or where in the opinion of the CAO the purchase should be

approved by Council,

a Council resolution must be obtained.

10. PROCUREMENT ACCOUNTING AND MANAGEMENT

The CFO will, through delegation from the CAO, ensure that the accounts for authorized expenditures of the Municipality are paid.

The CFO will regularly prepare accounts payable listings that include the supplier name, the good(s) and/or service(s) provided, and the amount payable to each supplier.

The accounts payable invoices will be available for review by any Council member, at their request.

Senior Management will provide updates to Council regarding major capital projects and/or expenditures as part of the regular monthly financial reports.

11. PROCESS FOR SELLING SURPLUS ASSETS:

Surplus/obsolete vehicles, furniture, and equipment will be disposed of in the following manner:

- competitive bid process through a Request for Quotations, or
- public auction, or
- trade-in on a new or replacement capital asset, or
- Council resolution in cases where the estimated value is less than or equal to \$5,000

Invitations to bid on capital assets offered for sale by the Municipality of Pembina will be:

- posted on the Municipality of Pembina's website for at least 14 days before the closing date of the invitation to bid.
- published in at least one edition of the Sentinel/Hometown View or advertised online for assets with an estimated fair market value in excess of \$5,000.

Surplus assets traded in on new or replacement assets will not be advertised for public sale.

Non-capital items (e.g. chairs, tables, office equipment) valued at under \$1,000 can be disposed of via donation, auction, or sale as authorized by the CAO.

All sales of assets shall be conducted on an "as-is" basis, with no warranties or guarantees provided by the Municipality .

Contracts for the sale of a surplus asset to a bidder shall be awarded using the evaluation process that is specified in the invitation to bid. The Municipality of Pembina is not required to accept a bid if Council decides not to proceed with the sale (e.g. if all bids are too low). The highest or any bid will not necessarily be

accepted.

The CAO may award surplus assets without competition or auction to any party in limited circumstances, as determined and approved by Council.

Payment in full must be received by the Municipality within 30 days from the date of notification of successful bid acceptance. Failure to complete payment within the specific timeframe may result in the sale being awarded to the next highest responsive bidder.

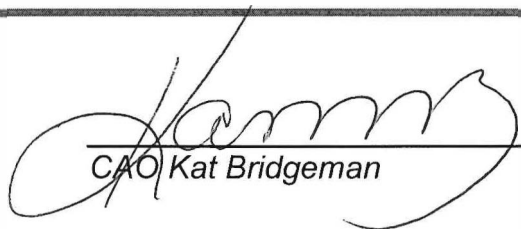
THIS POLICY SUPERSEDES ALL PREVIOUS POLICIES RELATED TO TENDERING & PROCUREMENT

	DISTRIBUTION
X	Master Policy Manual
X	Notice to Department Heads (Email)
X	Notice to All Staff (Email)
X	Internet (Public Information)

Signatures:



Reeve Glenn Shiskoski



CAO Kat Bridgeman