
Purchasing Policy

Policy Number: CP258/2025
Approval Date: November 25, 2025
Supersedes Policy: Purchasing Policy CFS154/2019

SECTION A

1.0 Policy Purpose

- 1.1 To outline Morinville's Policy regarding Procurement of Goods, services and Construction. This Policy is a framework for establishing decision-making that will guide the purchasing process and facilitate appropriate control of expenditures for the municipality.
- 1.2 The Purchasing Policy shall enable efficiency, effectiveness, compliance and standardization in Morinville's Procurement procedures, practices and processes that support the organization's accountability to the community.

2.0 Definitions

- 2.1 "Administration" means an employee or contract employee of Morinville.
- 2.2 "Construction" means a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work that also includes site preparation, excavation, drilling, seismic investigation, as well as the supply of products, materials, 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.
- 2.3 "Contra" means a barter arrangement between two parties who exchange Goods or Services.

- 2.4 “Contract” means a written agreement with specific terms between two or more persons or entities in which there is a promise to do something in return for a valuable benefit, not including the sale of Morinville-owned land or assets.
- 2.5 “Good (or Goods)” means tangible, movable items purchased, leased, or otherwise acquired by the Town. This includes materials, supplies, equipment, and other physical products. Goods do not include land or buildings unless otherwise specified.
- 2.6 “Local Business” means a business located in Morinville or the surrounding area.
- 2.7 “Procurement” means the acquisition by any means, including by purchase, rental, lease or conditional sale, of Goods and Services or Construction, but does not include any form of government assistance or provisions by government organizations.
- 2.8 “Purchaser” means a member of Administration who is responsible for the procurement and/or purchase of any Good, Service or Construction.
- 2.9 “Purchasing Card (PCard)” means a credit card provided by a recognized financial institution imprinted with the cardholder’s name, Town of Morinville, credit card number and validity period.
- 2.10 “Scope of Work” means an accurate, detailed, and concise description of the work to be performed by the contractor, the owner, and all third parties in a Construction project or Contract for Services broken down into specific tasks and associated deadlines.
- 2.11 “Service” Intangible work performed by an individual, business, or organization that results in a deliverable, outcome, or benefit to the Town. This includes professional consulting, technical, and operational Services. Services may involve the supply of incidental Goods, but the primary purpose is the performance of work.

3.0 Objectives

- 3.1 Morinville has an established set of parameters for municipal purchasing beyond the requirements prescribed by provincial or federal legislation and/or trade agreements.

- 3.2 Where permitted under prevailing trade agreements, providing purchasing priority to Local Businesses while adhering to all other terms and conditions outlined within this Policy and the Administrative Purchasing Directive.

- 3.2.1 Local Businesses will be given preference on Contracts under \$75,000 for Goods and Services with a variance of 10% to a maximum of \$3,750 and Construction Contracts under \$200,000, with a variance of 10% to a maximum of \$10,000.

- 3.3 Morinville will achieve the best value through an open, fair, accountable and transparent procurement process.

- 3.4 Morinville communicates a clear and accountable procurement and purchasing process to the public.

4.0 Guiding Principles

- 4.1 Morinville abides by the following principles for all Procurement-related activities:

- 4.1.1 Ethical behaviour and conduct;
 - 4.1.2 Open and effective competition;
 - 4.1.3 Best value acquisition; and
 - 4.1.4 Compliance with trade agreements and all pertinent legislation.

- 4.2 Ethical Behaviour and Conduct

- 4.2.1 Administration will behave with impartiality, fairness, independence, openness, integrity and professionalism when conducting business to ensure fairness to all actual and potential business partners and the public.

- 4.3 Open and Effective Competition

- 4.3.1 Administration will take reasonable measures to ensure that all interested vendors are provided with an opportunity to conduct business with Morinville and that all participants are subject to the same terms, conditions and requirements. Furthermore, all procurement documents and Contracts accurately reflect the municipality's requirements and are not unreasonably biased in favour of a particular vendor.

4.4 Best Value Acquisition

- 4.4.1 The municipality takes into consideration the overall cost in the acquisition of Goods and Services, including but not limited to: acquisition cost, operating and life cycle costs, salvage value and delivery.
- 4.4.2 That all factors related to the acquisition and use of a Good or Service are appropriately weighted in the evaluation of a Procurement.

5.0 Scope:

- 5.1 This Policy applies to all Members of Council and all members of Administration.

6.0 Responsibilities

6.1 Municipal employees

- 6.1.1 Shall procure and/or make purchases in compliance with all applicable trade agreements, including but not limited to:
 - 6.1.1.1 Canadian Free Trade Agreement (CFTA);
 - 6.1.1.2 New West Partnership Trade Agreement (NWPTA); and
 - 6.1.1.3 Canadian-European Union (EU) Comprehensive Economic and Trade Agreement (CETA).
 - 6.1.2 Shall authorize only the purchases within their approval thresholds as defined in the Signing Authority Policy.
 - 6.1.3 Shall not subdivide, split, or otherwise structure Procurement documents to reduce the Procurement value and avoid the requirements of this Policy.
 - 6.1.4 Shall not make any purchases using any form of Contra or any other form of an exchange of products for Services or vice versa.
 - 6.1.5 Shall protect information received in relation to a competitive bid process or the award of a Contract in accordance with the provisions of the *Protection of Privacy Act (POPA)*.
- ##### 6.2 Managers, General Managers and Designates.
- 6.2.1 Shall identify the need for Procurement and develop requirements and specifications to be satisfied through the process.

6.2.2 Shall, after identifying a need for Procurement:

- 6.2.2.1 Determine the type of Procurement process required, in accordance with the Purchasing Administrative Directive and develop a work plan including, but not limited to the specifications, the Scope of Work, and the evaluation criteria; and
- 6.2.2.2 Identify any applicable conditions which must be adhered to if grants are to be used in whole or in part to fund the Procurement.

6.2.3 Shall ensure the appropriate education of employees involved in the process.

6.2.4 Are responsible for managing respective budgets and ensuring all purchases and Procurements are within approved budgets or otherwise approved by Council.

6.3 Financial Services

6.3.1 The Financial Services Department shall establish appropriate guidelines, procedures, and internal controls:

- 6.3.1.1 To achieve the objectives identified within this Policy,
- 6.3.1.2 For authorizing general managers, managers and staff to engage in purchasing activities,
- 6.3.1.3 For authorizing the disposal of assets, and
- 6.3.1.4 For the accounting, record keeping and reporting of Procurement activities.

6.3.2 All documents noted in 6.3.1 will be subject to approval by the CAO.

6.3.3 The Financial Services Department shall maintain:

- 6.3.3.1 An electronic register of purchasing/signing authority as well as PCard credit limits.
- 6.3.3.2 Templates and forms to ensure consistency in the Procurement process for the municipality.
- 6.3.3.3

7.0 Conflict of Interest

- 7.1 Purchasers are to exercise caution when dealing with vendors or potential vendors where there is the possibility or perception of a conflict of interest, either through a direct or indirect relationship of any kind. Such a vendor will not be disqualified due to the existence of a conflict of interest, provided that it is identified, recorded and acknowledged at the outset and that proper precautions have been exercised to limit any such conflict of interest.
- 7.2 Morinville Procurement documents shall specify the requirement for vendors to declare that there are no conflicts of interest or provide details of any actual or potential perception of conflicts of interest with Morinville employees or elected officials. Morinville employees will not use their public role to influence or seek to influence a Morinville Procurement decision which could further the personal interests of the employee.

8.0 Emergency Purchases

- 8.1 In the event of an emergency which may jeopardize the safety of the public or place Municipal assets at risk, and where failure to act immediately may result in the shutdown or closure of Municipal services, the CAO may authorize the emergency expenditure of funds. Emergency purchases should only be made when the application of approved procedures would result in undue delay and negatively impact the nature of the emergency. The CAO will advise Council of the expenditure(s) at the earliest opportunity.

9.0 Review Date

- 9.1 For the purpose of ensuring that this Policy is revised for ongoing relevancy and necessity, a review will occur prior to December 31, 2028. The Policy shall be brought forth and repassed in its present or an amended form or rescinded.
- 9.2 This Policy shall remain in effect if the review date passes prior to Council review.

SECTION B

1.0 Reference to other Policy and Legislation

- *Municipal Government Act, R.S.A. 2000, c. M-26*
- Canada Free Trade Agreement
- New West Trade Partnership Agreement
- Signing Authority Policy AP4/2024

2.0 Persons Affected

- Council
- Staff

3.0 Review/Revision History

- Reviewed and revised November 2025, Financial Services

Simon Boersma
Mayor

Michelle Hay
Chief Administrative Officer