

# Procedure



## Competitive Procurement

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This Procedure falls under the Procurement Administrative Policy.

**Approved By:** Deputy City Manager  
Financial and Corporate Services

**Date of Approval:** 04/16/2020

**Program:** Financial Management  
*The City of Edmonton's resilient financial position enables both current and long-term service delivery and growth.*

**Next Scheduled Review:** 04/16/2023

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### **Purpose**

The purpose of this procedure is to prescribe the City's competitive procurement process and the roles, responsibilities, and accountabilities of employees involved in the competitive procurement process.

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### **Definitions**

All definitions contained in the Procurement Administrative Directive apply to this procedure. In addition:

- **“preferred bidder”** means the bidder with the highest total score at completion of evaluation who will move into the negotiations stage or directly to contract award.

#### *Principles of Competitive Procurement*

The City uses competitive procurement processes as its preferred method for procurements over \$75,000. The principles of open, fair and transparent public sector procurement are embedded within the City's competitive procurement processes. Competitive procurement processes ensure that all suppliers have an equal opportunity to compete for City contracts.

The business area purchaser must ensure there is no unnecessary geographically-based discrimination against suppliers for purchases above relevant trade agreement thresholds, and must use non-discriminatory (i.e. non-prejudiced and unbiased) procurement practices in all aspects of the procurement process, including in writing the contract scope, evaluating bids, and awarding contracts. The Branch Manager, Corporate Procurement and Supply Services (CPSS) will ensure that the public and potential suppliers can easily obtain information on the City's competitive procurement opportunities and contract award results (to the extent permitted by privacy legislation).

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### Processes

#### 1. *Preparation of the Sourcing Event*

- 1.1. The business area purchaser must complete a sourcing request, including the completion of the Procurement and Contract Risk Assessment, which will determine whether the procurement is high-risk or low-risk.
- 1.2. The CPSS Buyer, in consultation with the business area purchaser, will determine the most appropriate competitive procurement approach.
- 1.3. The business area purchaser, in consultation with the CPSS Buyer, will finalize the contract scope, including terms and conditions, and the evaluation plan that will be used by the evaluation committee.
- 1.4. The CPSS Buyer, in consultation with the business area purchaser, will prepare the sourcing event documentation and obtain any necessary legal reviews in accordance with the Review and Execution of Agreements Administrative Directive A1459.
- 1.5. The CPSS Buyer and business area purchaser will ensure the sourcing event documents meet all requirements applicable to the City.
- 1.6. The business area purchaser must obtain all necessary approvals for the sourcing event from the appropriate delegated authority.
- 1.7. Once a competitive procurement process is initiated, the business area purchaser must direct all communication received from potential suppliers to the CPSS Buyer.

#### 2. *Issuance of the Sourcing Event*

- 2.1. The CPSS Buyer will issue the sourcing event on SAP Ariba and post a notification on the Alberta Purchasing Connection website.
- 2.2. If addenda are required, the CPSS Buyer, in consultation with the business area purchaser, will prepare and issue the required addenda to sourcing event documents. Submission timelines may be adjusted from the original published deadline by the CPSS Buyer to accommodate bid preparation time as a result of the addenda. The CPSS Buyer will ensure that the adjusted timelines are sufficient for potential suppliers to respond to the amended sourcing event.
- 2.3. The CPSS Buyer will receive all bids from bidders.

#### 3. *Evaluation of Submissions from Bidders*

- 3.1. The CPSS Buyer will review all bids with appropriate subject matter experts as required to verify that they comply with all mandatory requirements listed in the sourcing event.

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- 3.2. The CPSS Buyer will provide the evaluation committee members all bids that comply with the mandatory requirements, following receipt of signed copies of the Evaluation Committee Member Obligations Acknowledgement from all evaluation committee members.
- 3.3. After validating that each received bid meets the mandatory procurement requirements, the evaluation committee will evaluate the bids in accordance with the evaluation criteria in the sourcing event.
- 3.4. Evaluation committee members will independently evaluate and score each bid. The evaluation committee will then collectively review and achieve consensus on bid scores.
- 3.5. The evaluation committee will record and submit the consensus scoring results to the CPSS Buyer.

#### 4. *Awarding the Contract*

- 4.1. The business area purchaser will use the scoring results from the evaluation committee to recommend awarding the contract, cancelling the sourcing event, or entering into contract negotiations with the preferred bidder, as applicable.
- 4.2. The appropriate delegated authority will approve the selection of the preferred bidder as per the Delegation of Authority Order.
- 4.3. The CPSS Buyer will notify the preferred bidder and commence negotiations, if applicable.
- 4.4. If negotiations occurred and the proposed contract has varied from that approved by the appropriate delegated authority, the CPSS Buyer (if the contract is high-risk and non-City standard, will obtain any necessary legal reviews in accordance with the Review and Execution of Agreements Administrative Directive A1459, and following legal review, the business area purchaser will obtain approval of the negotiated contract from the delegated authority prior to reaching a final agreement with the preferred bidder.
- 4.5. Following award of the contract or cancellation of the sourcing event, the CPSS Buyer will notify all unsuccessful bidders and will, in consultation with the business area purchaser, provide debriefings for any interested bidders following the notification.

#### 5. *Execution of the Contract*

- 5.1. The CPSS Buyer will prepare, and arrange for execution of, the contract resulting from the sourcing event according to the Signing Contracts Guideline.
- 5.2. After execution of the contract, if required, the CPSS Buyer will prepare and issue a purchase order or outline agreement for the contract.

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The Branch Manager, Corporate Procurement and Supply Services, will monitor the use of competitive procurements and provide quarterly reports to the relevant Deputy City Manager of any procurements that do not comply with this procedure.

### **Additional Resources**

The Branch Manager, Corporate Procurement and Supply Services may, after review by the City Solicitor, approve standards to support or provide further detail to the above processes; however, any amendments to the processes contained in this procedure must be approved by the City Manager.