



Procurement Standard

The City of Edmonton

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

Approved by: Deputy City Manager,
Financial and Corporate Services

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The City of Edmonton spends approximately \$1 billion annually on a wide range of goods, services, construction, and intellectual property rights. The City conducts procurements in an open, fair and transparent manner that achieves the best value for the City and in support of Council's objectives. The City has the responsibility to all stakeholders, including suppliers and the public and ensures the efficiency and effectiveness of the procurement process. Procurement processes protect the interests of the City and the public.

As a municipal government in the Province of Alberta, the City of Edmonton is bound by provincial and federal trade agreements which outline requirements for how the City is to procure goods, services, and construction.

This Standard replaces the Procurement Administrative Policy (A1465) and all of its associated procedures.

1. Purpose

The purpose of this standard is to:

- Ensure the City acquires goods, services, construction and intellectual property in an open, fair and transparent manner and abiding by all applicable Trade Agreements;
- Outline the minimum requirements by which the City conducts procurement activities; and
- Implement a consistent approach to procurement processes across the City.

2. Application

This standard applies to any person who reports to the City Manager or City Auditor and provides services to the City of Edmonton under a contract of employment, contract for the provision of personal services, or in the capacity of agent, student or volunteer. This Procurement Standard applies to Procurement Agreements only (excludes other agreements such as funding agreements, revenue agreements, or land-related agreements).

3. Guiding Principles

In carrying out their duties under this Standard, or when acting in situations not explicitly addressed here, employees will be guided by the following principles:

- 3.1. Fairness, openness and transparency, ensuring that the City's practices and processes are easily accessible and understandable;
- 3.2. Achievement of best value for the City, while actively supporting the [City's Sustainable Procurement Policy](#);

- 3.3. Compliance with all relevant City policies, directives, procedures, and standards, including the [Code of Conduct](#) and the [Supplier Code of Conduct](#);
- 3.4. Compliance with all applicable trade agreements;
- 3.5. Use of competitive procurement processes as the most preferred method, which should be used wherever possible and appropriate;
- 3.6. Appropriately justifying all non-competitive procurement processes, which are available to use in specific situations;
- 3.7. Leveraging buying power through corporate contracts or strategic sourcing;
- 3.8. Thoroughly assessing risks, supplier qualifications, supplier performance, and full life cycle costs; and
- 3.9. Integrity and ethics in all procurement activities.

4. **Accountability**

When procuring goods, services, construction or intellectual property rights on behalf of the City, a business area purchaser must determine if an active contract exists for the goods, services, construction, or intellectual property rights. If an active contract exists, and the scope of proposed purchase falls within scope of that contract, the business area purchaser should work with the contract manager to issue a purchase order using that contract.

If no active contract exists, or the contracted supplier is unable to provide the required goods or services, the business area purchaser must conduct the procurement using the competitive procurement method, unless the procurement meets the necessary conditions to use non-competitive procurement methods.

4.1. **CPSS is responsible for:**

- 4.1.1. Providing guidance to business area purchasers regarding the appropriate procedure for procurement;
- 4.1.2. Supporting business area purchasers in case of questions and/or additional support throughout the process; and
- 4.1.3. Partnering with the business areas to ensure a satisfactory and value-added solution is considered.

4.2. **The Branch Manager, CPSS, is accountable for:**

- 4.2.1. Monitoring the use of competitive and non-competitive, procurements, and the use of purchase orders and corporate credit cards;

- 4.2.2. Providing quarterly compliance reports to the City Branch Managers, Directors, and Executive Leadership Team of any procurements that do not comply with this Standard; and
- 4.2.3. Ensure that public and potential suppliers can obtain information on the City's competitive procurement opportunities and contract award results (to the extent permitted by privacy legislation).

Note: The City publishes competitive procurement opportunities and award results on [Alberta Purchasing Connection \(APC\)](#) and [Ariba Discovery](#).

CPSS may conduct reviews, audits or checks at any time without notice to ensure compliance with this Standard and the accompanying business processes.

Failure to comply with this Standard and associated business processes could lead to appropriate corrective action, which may include discipline up to and including termination of employment.

4.3. CPSS Concurrence Authority

For the purposes of the Common Authority Chart in the City of Edmonton Delegation of Authority Order, the positions authorized to provide CPSS concurrence for the procurement method(s) are listed in **Appendix 1**, with the applicable amount(s).

5. Sustainable Procurement

The City of Edmonton recognizes that every purchase can be leveraged to create economic, environmental and social impacts. The [Sustainable Procurement Policy](#) provides a framework for City of Edmonton purchasing activities in order to create intentional positive environmental, social and economic impacts while maintaining open, fair and transparent procurement processes.

The City will integrate economic, quality, environmental, and social value considerations into the contract scope, to the extent permitted by trade agreement obligations and where applicable depending on the scopes of work.

6. Local Procurement

The City of Edmonton supports the supplier community and encourages growth and strengthening of business throughout Edmonton. The City recognizes that local spending helps in achieving positive community value outcomes such as social, economic, environmental, and cultural benefits to the Edmonton region.

For under threshold low value purchases, the City will prioritize buying local, where possible (see section 7 for how to determine if your procurement is under threshold). For

purchases that are below trade agreement threshold (\$75,000 for goods and services and \$200,000 for construction), the City encourages obtaining quotes from local businesses and local indigenous businesses, where possible.

7. Value of the Procurement

When calculating the value of procurement, the business area purchasers must include all estimated amounts to be paid by the City over the term of the procurement, including optional terms and applicable taxes. If a procurement will be awarded to more than one supplier, the business area purchaser must include all contracts under the procurement in the calculation.

- 7.1.** The City must not structure procurements to avoid trade agreements, such as:
 - 7.1.1.** Dividing required quantities of goods or services into more than one procurement,
 - 7.1.2.** Diverting funds to entities not covered by the trade agreements, and
 - 7.1.3.** Entering into a contract for an amount below the applicable trade agreement threshold with the intention to later increase the value through an amendment or change order.
- 7.2.** If the estimated value of a procurement exceeds any applicable trade agreement value thresholds, the procurement will be required to comply with the competitive procurement process, unless there is a valid exception from each applicable trade agreement.
- 7.3.** When awarding to multiple suppliers, use the estimated combined value of all contracts to be awarded for the purposes of determining whether the trade agreements apply.
- 7.4.** When a business area purchaser intends to make more than one under threshold purchase of a particular good or service over a 12 month period, to determine the value of the procurement, the business area purchaser should calculate the combined purchase amount estimated for the next 12-month period, even when using separate purchase orders or contracts. This is the value used for determining whether the trade agreements apply.
- 7.5.** There are some procurements where the City is not directly paying the supplier for the goods or services provided. In these situations, include only the amount being directly paid to the supplier by the City (this may be zero) to determine whether the procurement exceeds trade agreement thresholds. The business area purchasers are encouraged to contact a CPSS Buyer to determine the best procurement method.

- 7.6.** If the City and another entity are participating in a joint procurement, the business area purchaser should only include the amount to be paid by the City, when determining whether the procurement is under or over trade agreement threshold.

8. Controlled Items List

In addition to the requirements of this Standard and the accompanying detailed business processes, certain types of goods, services, construction, and intellectual property rights have particular risks or requirements which must be addressed through additional processes. CPSS maintains a list of these items in controlled and prohibited categories.

Controlled items may be purchased by City staff through one of the applicable procurement methods described in this Standard. These items are subject to and must follow additional process steps in order to address risks specific to what is being purchased. These additional steps are listed in the controlled items list.

Items covered by current contracts are not considered controlled; however, business area purchasers are required to use the existing contracts rather than entering into new contracts, unless it would be unreasonable to do so in a given situation.

In addition to controlled items, there are certain items that are prohibited items. Prohibited items must not be purchased using City funds. The prohibited items are listed in the controlled items list separately.

9. Procurement Methods

The City conducts procurement activities in an open, fair and transparent manner. The City takes accountability for ensuring the efficiency and effectiveness of the procurement process and its responsibilities to all stakeholders, including suppliers and the public. Procurement processes protect the interests of the City, public, and suppliers participating therein.

The City uses competitive and non-competitive procurement methods. Competitive procurement is the most preferred method, however, non-competitive procurement methods are also available for use in specific situations. The determination of the most appropriate procurement method depends on:

1. The value of the procurement;
2. Applicable trade agreements and available trade agreement exceptions;
3. Whether an active contract exists or not;
4. Number of Suppliers who can fulfil City's requirements;
5. Whether the items to be purchased are controlled.

Note: Contact a CPSS Buyer to determine if a trade agreement exemption applies.

The table below shows the available procurement methods based on value of procurement and the requirement or condition:

Value	Requirement or Condition	Procurement Method / Process	
Under \$25,000	If item is controlled	Follow Process outlined	
	If the item is one time purchase	Low Value Purchase Order (PO)	
	If value is \$5,000 or less	Corporate Credit Card (CCC)	
\$25,000 to \$75,000: goods, services and intellectual property rights	If multiple suppliers available	Non-competitive - Single Source	
\$25,000 to \$200,000: construction	If only one supplier available	Non-competitive - Sole Source	
\$75,000 to \$1,000,000: goods, services and intellectual property rights	If Trade Agreement Exception applies and more than one supplier available	Invitational	
	Have a business reason that outweighs competitive procurement	Advanced Contract Award Notice (ACAN) , results determine if: <ul style="list-style-type: none"> • Non-competitive - Sole Source, or • Competitive 	
	\$200,000 to \$1,000,000: construction	If only one supplier available	Non-competitive - Sole Source
		If no Trade Agreement Exception applies and more than one supplier available	Competitive
Over \$1,000,000	Requires Committees of Council Approval	Non-competitive	
	If multiple suppliers available	Competitive	

9.1. Competitive Procurement

The City uses a competitive procurement process as its preferred method for procurements over \$75k for goods, services or intellectual property and \$200k for construction. The principles of open, fair and transparent public sector

procurement are embedded within this process. The competitive procurement process ensures that all suppliers who are interested, have an opportunity to compete for City contracts.

Over threshold procurements using the competitive procurement process must comply with trade agreement obligations, except to the extent that a procurement is exempt from trade agreement requirements.

9.2. Non Competitive Procurement

The City uses non-competitive procurement when:

- The item to be procured has valid exceptions from all applicable trade agreements, there is no active contract, and one or more suppliers are available; or
- There are substantial business reasons that outweigh the use of a competitive procurement process.

The non-competitive procurement method includes invitational, non-competitive single or sole source, low value purchase orders and corporate credit card.

9.2.1. Invitational Procurement

The City uses the invitational procurement process for procurements over \$75k for goods, services or intellectual property and \$200k for construction where there are valid trade agreement exceptions for each applicable trade agreement, when there is no active contract for these items, and more than one supplier is available. CPSS Buyer manages the invitational procurement process over \$75k for goods, services or intellectual property and \$200k for construction.

The business area purchaser must provide justification when using the invitational procurement process. The justification must highlight why the business area purchaser has selected the invitational procurement method vs competitive procurement method not the need to buy or the business impact of not completing the procurement.

Invitational procurements over \$75k for goods, services or intellectual property and \$200k for construction where no trade agreement exception applies must be considered as Non-competitive Procurement. Business area purchasers must contact CPSS Buyer for these procurements.

9.2.2. Non-Competitive Single or Sole Source Procurement

The non-competitive procurement processes should not be used in lieu of competitive procurement processes.

- 9.2.2.1. For purchases **over trade agreement thresholds** the non-competitive procurement processes should be used only in situations where there is a valid trade agreement exception(s) for each applicable trade agreement, and either:
 - 9.2.2.1.1. substantial business reasons that outweigh the use of a competitive procurement process or invitational procurement process; or
 - 9.2.2.1.2. there is only one source of supply to meet the City's requirements.
- 9.2.2.2. For **sole source procurement over \$25k** the business area purchaser must request a quote and supporting documentation to establish that only one supplier can meet the requirements of the procurement.
- 9.2.2.3. For **single source procurement over \$25k** the business area purchaser must identify a minimum of three suppliers, preferably including at least one local supplier, and request a quotation from each.

The business area purchaser must provide justification and documented support for the justification when using the non-competitive procurement method. The justification must highlight why the business area purchaser has selected the non-competitive procurement method vs competitive procurement method, not the need to buy or the business impact of not completing the procurement. The justification should be based on the trade agreement exception(s) being claimed **and** either scenarios 9.2.2.1.1 or 9.2.2.1.2 described above.

The business area purchaser must obtain the necessary concurrence for the procurement from CPSS and, if required, Open City and Technology (OCT) or Employee Services (ES).

Prior to providing concurrence, CPSS Buyer may issue an Advance Contract Award Notice (ACAN) and publicly post the ACAN for a minimum of 10 business days to confirm that the pre-identified supplier is the sole provider of the goods, services or intellectual property rights being procured. The ACAN process ends either with other suppliers identified or a confirmation that there are no other

suppliers able to provide the required goods, services or intellectual property rights.

- 9.2.2.4.** If the value of the **procurement is over \$1 Million**, the business area purchaser must submit a council report requesting contracting approval for the non-competitive procurement (using the existing reporting processes for Committees of Council).

The business area purchaser must consult with the Legal Services Branch and CPSS in preparing the report.

The appropriate Committees of Council must approve the contract in order for the business area purchaser to proceed with the procurement.

The business area purchasers may conduct market research, including viewing product demonstrations or supplier presentations, but may not conduct internal product or supplier evaluations or assessments that will result in a recommendation to use a non-competitive procurement process in lieu of a competitive procurement process (see section 12 for details about performing market research). The business area purchasers are encouraged to contact a CPSS Buyer in regards to the market research.

9.2.3. Low Value Purchase Order for up to and including \$25k

The business area purchaser may use the low value purchase order process for one-time purchase with a value of up to and including \$25k and the item to be procured is not a controlled or prohibited item.

To reduce the City's non contract spend, before creating a low value purchase order, the business area purchaser must determine if an active contract exists for the goods, services, construction, or intellectual property rights. If an active contract exists, and the scope of proposed purchase falls within scope of that contract, the business area purchaser should work with the contract manager of the existing contract to issue a purchase order using that contract.

9.2.4. Corporate Credit Card for up to and including \$5k

The business area purchaser may use a corporate credit card if:

- 9.2.4.1.** The value of the purchase is \$5k or less;
- 9.2.4.2.** There is no existing contract with the supplier and the proposed purchase does not fall within the scope of the existing contract;
- 9.2.4.3.** The item to be purchased is not a controlled or prohibited item; and

- 9.2.4.4.** The transaction is eligible as per corporate credit card handbook and the corporate credit card business process.

10. Request for Information and Request for Expression of Interest

A Request for Information (RFI) is a Sourcing Event type that is used to collect written information about the capabilities of various bidders or to perform market research. The RFI does not result in a Contract award.

A Request for Expression of Interest (RFEOI) is a Sourcing Event type that is used when seeking an indication of interest from participants in undertaking specific work; the RFEOI does not result in a Contract award.

The business area purchaser may use the RFI & RFEOI business process. RFIs and RFEOIs are posted publicly by CPSS Buyer to Ariba Discovery with a notification posted to Alberta Purchasing Connection (APC).

11. Review of Unsolicited Proposals

Contracts with the City generally result from competitive, non-competitive, low value or invitational procurement processes. Should the City decide to enter into a contractual relationship as a result of an unsolicited proposal, employees involved with the procurement shall adhere to the appropriate non-competitive procurement process, as applicable. Any employee that receives an unsolicited proposal must handle it in accordance with this Standard.

- 11.1.** The City generally welcomes thoughtful, innovative, value-added ideas in the form of unsolicited proposals, however:
 - 11.1.1.** The City is under no obligation to perform a comprehensive, or any evaluation of any unsolicited proposal;
 - 11.1.2.** The City reserves its unilateral right to proceed, at any point, with a competitive or invitational procurement process, or a non-competitive procurement process with another supplier;
 - 11.1.3.** The City reserves the right to consider or reject any unsolicited proposal in whole or in part in the City's sole and unfettered discretion;
 - 11.1.4.** If it is determined that the unsolicited proposal is principally for the procurement of routine goods, services, construction or intellectual property, the City will cease its evaluation of the unsolicited proposal, and will conduct any procurements for these goods, services, construction or intellectual property using competitive or non-competitive procurement methods, as applicable;

- 11.1.5.** All costs associated with submitting an unsolicited proposal, including any demonstrations, presentations, and negotiations, are the sole responsibility of the supplier submitting the unsolicited proposal;
 - 11.1.6.** The submission of an unsolicited proposal is done entirely at the supplier's risk and the City assumes no contractual obligations to the supplier whatsoever except in the event, and only to the extent, that the City signs a written contract with the supplier;
 - 11.1.7.** A favourable initial review by any staff of the City in no way implies that a contractual relationship between the supplier and the City exists or will at any point in the future be formed;
 - 11.1.8.** The City is under no obligation to return an unsolicited proposal to the supplier that submitted the proposal; and
 - 11.1.9.** The City will take reasonable measures to keep any proprietary information contained in an unsolicited proposal confidential, subject to the City's statutory obligations under the *Freedom of Information and Protection of Privacy Act*, RSA 2000, c. F-25. The supplier must indicate in its unsolicited proposal what information contained in the proposal it considers sensitive and proprietary.
- 11.2.** Unsolicited proposals should contain the following information in order to be considered by the City of Edmonton:
- 11.2.1.** The supplier's name, address and contact information;
 - 11.2.2.** A concise title and abstract of the proposal;
 - 11.2.3.** Proposed contract scope, technical specifications and implementation approach for the proposal;
 - 11.2.4.** A clear statement of how the supplier is uniquely qualified to offer the goods, services, construction or intellectual property rights;
 - 11.2.5.** Relevant experience of the supplier in the delivery of the proposed goods, services, construction or intellectual property rights;
 - 11.2.6.** Benefits that will be derived by the City should it pursue the proposal or how the proposal addresses the City's current or future needs;
 - 11.2.7.** The City department(s) envisioned as benefactors of the proposal (if known);
 - 11.2.8.** The names of any City staff with whom the supplier may have communicated the proposal or its subject matter;
 - 11.2.9.** A clear statement of the sustainable aspects of the proposal including environmental, social and economic benefits to the City and other

communities and how the proposal will advance the City's objectives related to the City's Sustainable Procurement Policy (C556);

- 11.2.10. Proposed price the City would have to pay, or the amount of revenue the City could expect to receive, should the proposal be accepted;
- 11.2.11. Proposed contract term, including any potential optional terms;
- 11.2.12. Type of support needed from the City, e.g., facilities, equipment, personnel resources, etc. for the supplier to fulfil the proposal;
- 11.2.13. Acknowledgement that the City is under no obligation to accept the proposal, that all costs incurred by the supplier in relation to the proposal are incurred at the supplier's own risk and expense and that the City shall not be liable for any costs or damages in connection with the rejection or non-acceptance of the proposal;
- 11.2.14. An indemnification by the supplier in favour of the City from and against any claims related to any infringement of copyright, trademark, industrial design or any other intellectual property right; and
- 11.2.15. Identification of any known potential conflicts of interest existing with relation to the supplier, City staff or others, including but not limited to conflicts of interest described in the following sections of this Standard:
 - 11.2.15.1. Conflict of Interest After City Employment;
 - 11.2.15.2. Conflict of Interest of Employees Participating in City Procurements;
or
 - 11.2.15.3. Conflict of Interest Related to Members of Civic Agencies.

If the unsolicited proposal does not conflict with any of the principles above and the business area is willing to consider the proposal, the process outlined in **Appendix 2** applies to all suppliers and unsolicited proposals.

Note: At any stage, the City reserves the right to cease its review or consideration of any unsolicited proposal.

12. Other Considerations

In addition to the value of the procurement, and whether items fall on the controlled items list, business area purchasers and CPSS must also take into account additional factors in making contracting decisions. These include whether conflicts of interest exist and whether the supplier is on probation or is found on the [list of suspended suppliers](#), due to the [Supplier Performance Management Program](#) or the supplier's dispute history with the City.

Employees should exercise caution when performing market research, due to the City's trade agreement obligations. Where a procurement is valued at or above trade agreement thresholds, restrictions on market research apply (even in many cases where the procurement is exempt from having to go through a competitive process). When doing market research, consider these questions:

- Is the City seeking or accepting advice (including where unsolicited by the City) that may be used in preparing technical specifications for a procurement?
- Does the supplier or person providing that advice have a commercial interest in the procurement? For example, are they a potential bidder, or a potential subcontractor or supplier to a bidder?
- Will the advice reduce competition? For example, are you including a requirement in the specification that can only be met by a single supplier (such as the supplier who provided the advice)?

If the answer to all of these questions is "yes", then the type of market research you are doing may be non-compliant with the trade agreements. Seek advice from CPSS or Legal Services if you have questions.

13. Contracting with Parties in Dispute

It is in the City's best interests to enter contracts with suppliers with a history that suggests they work collaboratively with the City to resolve disputes in a reasonable, timely and cost effective manner. It is not in the City's best interest to enter contracts with suppliers where there is a likelihood of the City incurring significant increased financial, operational, or legal cost based on the supplier's history of disputes with the City.

For clarity, this section of the Standard does not apply if the supplier is already on the list of suppliers that are currently suspended under the Contract Management Administrative Policy. This section does not apply to servicing agreements or contracts relating to the provision of utilities. The detailed process of contracting with parties in dispute is outlined in **Appendix 3**.

14. Conflict of Interest

An employee that becomes aware of any of the following conflicts of interest must immediately disclose that information in accordance with the following:

14.1. Conflict of Interest after City Employment

A former employee must not have any financial or controlling interest, either directly or indirectly, in a bidder that is participating in a City procurement process, unless the interest is disclosed and addressed in accordance with this section.

All former employees who are no longer employed by the City for any reason are prohibited, unless approval is obtained, from participating in a competitive procurement for a period of not less than twelve months from the last date they were employed by the City. Participating in a procurement may include, but is not limited to, the following roles:

- As a supplier;
- As a resource on City project work for a supplier; or
- As a resource on City project work for a supplier that has been subcontracted by another supplier.

If the involvement of a former employee in a City procurement results in a conflict of interest or unfair competitive advantage that cannot be mitigated, the bidder may be disqualified from the City procurement process.

The detailed process for conflict of interest after City employment is outlined in **Appendix 4**.

14.2. Conflict of Interest of Employees Participating in City Procurements

An employee who has or had (within the last 12 months) a personal relationship, financial or controlling interest, or a former employment relationship with a bidder that is participating in the City procurement process must not participate in the procurement evaluation or the decision to award a contract unless the relationship or interest is disclosed and addressed in accordance with this section.

If it is determined by the City that the involvement of an employee in a City procurement process may result in a real or perceived conflict of interest, then the Branch Manager, CPSS will determine if the employee can participate, in whole or in part, in the procurement process.

The detailed process of conflict of interest of employees participating in City Procurements is outlined in **Appendix 5**.

14.3. Conflict of Interest Related to Members of Civic Agencies

A member of a Civic Agency or an Administrative Advisory Committee must not have a financial or controlling interest, either directly or indirectly, in a bidder or a member of the bidder's proposed team that is participating in a City procurement process, unless the interest is disclosed and addressed in accordance with this section.

A member of a Civic Agency or an Administrative Advisory Committee is prohibited from participating in a procurement process as a bidder or a member of the

bidder's proposed team, for a period equivalent to twelve months following the conclusion of their membership, unless the interest is disclosed and addressed in accordance with this section.

If a member of a Civic Agency or an Administrative Advisory Committee participates in a procurement process as a bidder or a member of the bidder's proposed team and it results in a conflict of interest or unfair competitive advantage that cannot be mitigated, the bidder may be disqualified from the City's procurement process.

The detailed process of conflict of interest related to members of Civic Agencies is outlined in **Appendix 6**.

15. Retainer of Lawyers and Experts for Legal Purposes

Due to a need for special expertise, the City may need to retain external lawyers or other experts for assistance with legal matters.

Procurements of lawyers and experts for assistance with legal matters are generally the subject of special confidentiality rules and protections, called "privilege." To protect the privilege, care needs to be taken to ensure that the confidentiality of these procurements is protected and only those who absolutely need to know about the procurement should be informed. Because of this, a special process must be followed to hire external lawyers as well as experts required for legal purposes.

The Legal Services Branch will lead any procurements to retain external lawyers for City legal work. Only the City Solicitor (Branch Manager of the Legal Services Branch) or the City Manager may approve retention of lawyers in accordance with the City Administration Bylaw (16620) and the City of Edmonton Delegation of Authority Order. Procurement of lawyers is exempt from the requirement to publicly tender.

For best practices, the Legal Services Branch should lead the procurement of experts for legal purposes, including potential or ongoing litigation. Failure to use this process is not intended nor deemed to be a waiver of the City's right to privilege, and privilege may still attach to procurements of experts through other procurement processes. Retainers of experts for legal purposes are generally exempt under trade agreements, although some may have a certain dollar amount over which a competitive procurement process (in compliance with this Standard) is required (unless another exception applies).

Where a competitive process is used, the Legal Services Branch will work with CPSS to procure the applicable services.

Payments by the City under the retainer contract may be made by payment requisition process which will be reimbursed by Electronic Funds Transfer (EFT).

The detailed process of retainer of Lawyers and Experts for legal purposes is outlined in **Appendix 7**.

16. Authority to approve and update Procurement Standard and Business Processes

Additional business processes and other documents may be created and updated to supplement this Standard, as approved in accordance with the table below.

Document	Authority to approve updates
Procurement Standard	Deputy City Manager, Financial and Corporate Services
CPSS Concurrence Authority	Branch Manager, Corporate Procurement and Supply Services Branch
Business Processes - Procurement and other documents - except for Retainer of Lawyers and Experts for Legal Purposes and Contracting with Parties in Dispute	Director Procurement, Corporate Procurement and Supply Services Branch
Business Processes - Procurement and other documents - Retainer of Lawyers and Experts for Legal Purposes and Contracting with Parties in Dispute only	City Solicitor, Legal Services Branch
Business Processes - Contract Management and other documents	Director Contracts, Corporate Procurement and Supply Services Branch
Controlled Items List	Director Procurement, Corporate Procurement and Supply Services Branch

17. Definitions

Unless otherwise specified, words used in this Standard and the accompanying business processes have the same meaning as defined in the [City Administration Bylaw 16620](#).

- **Administrative Advisory Committee** The boards, committees and task forces to which City Administration appoints citizens-at-large or representatives of external organizations affiliated with the City;
- **Advance Contract Award Notice or ACAN** A notice to potential suppliers of the City's intention to non-competitively award a contract where it is believed that no other source exists in the market;
- **Bidder** A supplier who submits a bid to be considered by the City in response to a

sourcing event;

- **Business Area Purchaser** An employee responsible for completing a purchase on behalf of the City;
- **Business Area Receiver** An employee responsible for receiving, inspecting and confirming receipts of goods or services at a City's facility;
- **CCC** Corporate credit card (an authorized City of Edmonton credit card, issued by a financial institution that may be used by a cardholder for the purchase and payment of goods or services required by the City), as may be further described in the Corporate Credit Card Handbook;
- **Civic Agency** or **Civic Agencies** The agencies, boards, committees, commissions, and task forces to which City Council makes an appointment of citizens-at-large, council members, or representatives of external organizations. A list of civic agencies can be found at the following link: https://www.edmonton.ca/city_government/city_organization/list-of-agencies-boards-commissions.aspx;
- **Concurrence** Involves ensuring that sourcing events issued and procurement contracts awarded by the City are compliant with this Standard, applicable trade agreements and rules relating to conflict of interest;
- **Contract** Has the same meaning as "procurement agreement" in the [City Administration Bylaw, Bylaw 16620](#);
- **Contract Manager** Has the same meaning as defined in the Contract Management Directive, A1205. An individual who manages a contract throughout the contract's lifecycle, and who manages the technical and administrative aspects of the contract including amendments and renewals; the contract manager is responsible from contract award until contract completion;
- **Contract Request** The SAP Ariba request that is created when a procurement need is identified that will be fulfilled using a non-competitive procurement process;
- **Contract Scope** The description of the goods, services, construction, or intellectual property rights the City is acquiring from a supplier through a procurement, including any City requirements relating thereto. The City uses scope of work, special provisions, specification, description of work, and requirements documents templates to capture contract scope;
- **Controlled Item** Certain types of goods, services, construction and intellectual property rights which are subject to and must follow additional process steps in order to address risks specific to what is being purchased;

- **CPSS** Corporate Procurement and Supply Services Branch;
- **CPSS Buyer** Senior Buyer or Buyer;
- **Delegated Authority** An employee to whom the appropriate power, duty, or function has been delegated by the City Manager through the City's Delegation of Authority Order;
- **Dispute** Is a dispute between the City and a supplier, adverse in interest, which is, has, or may become the subject of a formal dispute process;
- **Enabled Supplier** A supplier who is onboarded to SAP Ariba to interact and transact with the City in an effective manner using SAP Ariba capabilities. These transactions through SAP Ariba include submitting Service Entry Sheets, order confirmations and invoices;
- **Evaluation Committee** A committee of individuals, which may include both employees and non-employees, established to evaluate bidder submissions in a competitive or invitational procurement process;
- **Evaluation Plan** A document that specifies all sourcing event evaluation criteria, the respective weighting and importance factors, the method that will be used to determine which bid(s) meet the requirements and the scoring definitions against which the evaluation criteria will be scored to rank bidders;
- **Expenditure Officer** The employee who is authorized to approve payments or commit funds pursuant to the Expenditure Accountability Framework;
- **Formal Dispute Process** A dispute that has become the subject of litigation or an alternative dispute resolution process, including a process set out in the contract between the City and the supplier;
- **Former Employee** An employee that was formerly employed by the City;
- **Former Employment Relationship** A City employee's former role as an employee, a contractor, or subcontractor with a bidder;
- **Over Threshold** That the total value of proposed procurement is at or above \$75,000 for goods, services and intellectual property and \$200,000 for construction;
- **Preferred Bidder** The bidder with the highest total score at completion of evaluation who will move into the negotiations stage or directly to contract award;
- **Procurement** The acquisition of goods, services, construction, or intellectual property rights from a supplier, but does not include the acquisition or disposition of interests in land;

- **Procurement Agreements** An agreement to acquire goods, services, construction, or intellectual property rights but does not include agreements for the acquisition or disposition of interests in land;
- **Prohibited Items** Certain types of goods or services that are not permitted to be procured using City funds;
- **Procurement Conflict of Interest Advisory Group** Is, at the request of the Branch Manager, CPSS, responsible for reviewing and advising on conflict of interest matters that may arise in the City's procurement processes;
- **Purchase Order** A contractual record that summarizes the details of a contract and facilitates payment to a supplier;
- **Single Source** A non-competitive procurement process in which more than one supplier is available in the market for the desired good, service, or construction and the City deems appropriate to enter into a contract without doing an open competition. There must be a justifiable business case for these instances and CPSS provides annual reports to council on use of the single source procurement method. Some of the justifications may include an urgent or emergent need, or when there is a legitimate commercial, strategic, or operational reason. It is also a pathway to protect the City against an imminent risk to its property, personnel, reputation, or operations;
- **Sole Source** A non-competitive procurement process in which there is no alternative supplier that can respond to our needs. There is only one supplier for a particular good, service, or construction and the City does not have an option to choose from (i.e. suppliers own infrastructure or particular expertise, technology, or have exclusivity or proprietary rights over a good or service). There must be a justifiable business case for these instances and CPSS provides annual reports to council on use of sole source procurement method;
- **Sourcing Event** The electronic document in SAP Ariba used to obtain bids from bidders; the sourcing event enables the communication of procurement needs, issuance of addenda, receipt of information and bids, and electronic evaluation scoring, when required;
- **Sourcing Request** The SAP Ariba request that is created when a procurement need is identified that will be sourced using a competitive or invitational procurement process;
- **Supplier** A provider of goods, services, construction, or intellectual property rights by purchase, rental, lease, conditional sale, or any other means, also includes associates and affiliates of the supplier as defined in the *Business Corporations Act*, RSA 2000, c.

B-9, and includes the terms vendor, consultant, contractor, design-builder, construction manager, construction consultant, and lessor;

- **Supplier Enablement** A process through which a supplier is set up to transact with the City over Ariba Network;
- **Trade Agreement(s)** One or more of the trade agreements applicable to the City at the time of the procurement, which may include, but are not limited to, the New West Partnership Trade Agreement, Canadian Free Trade Agreement, and Comprehensive Economic and Trade Agreement, as may be amended or replaced from time to time;
- **Under Threshold** Total value of proposed procurement is below the thresholds for covered procurements in any of the trade agreements;
- **Unsolicited Proposal** A written proposal not requested by the City that is submitted by a supplier proposing to provide goods, services, construction or intellectual property rights to the City; and
- **Unsolicited Proposal Evaluation Committee** The committee of individuals established to evaluate unsolicited proposals which may include both employees and non-employees.

Appendix 1

CPSS Concurrence Authority

Position/Classification	CPSS Concurrence Authority, concurrence with:
Branch Manager, CPSS	<ul style="list-style-type: none"> ● Non-competitive procurement agreements (over \$1,000,000) ● Competitive procurement agreements
Director, Procurement	<ul style="list-style-type: none"> ● Non-competitive procurement agreements (up to \$1,000,000) ● Competitive procurement agreements
Procurement Manager	<ul style="list-style-type: none"> ● Non-competitive procurement agreements (trade agreement exception applies; up to \$1,000,000) ● Non-competitive procurement agreements (no trade agreement exception applies; up to \$75,000) ● Competitive procurement agreements
Senior Buyer	<ul style="list-style-type: none"> ● Non-competitive procurement agreements (trade agreement exception applies; up to \$250,000) ● Non-competitive procurement agreements (no trade agreement exception applies; up to \$75,000) ● Competitive procurement agreements (up to \$1,000,000)
Buyer	<ul style="list-style-type: none"> ● Competitive procurement agreements (up to \$75,000)

Appendix 2

Review of Unsolicited Proposals Process

1. Receipt of an Unsolicited Proposal

1.1. Upon receipt of an unsolicited proposal:

- a) By a business area, the business area may review the proposal to determine if further investigation or evaluation of the proposal is warranted; or
- b) By CPSS, CPSS may consult with the relevant business area(s) based on information received in the proposal to determine if further investigation into or evaluation of the proposal is warranted.

1.2. During the initial review of a proposal as described above, the City may take into account the following and any other appropriate considerations:

- 1.2.1. The uniqueness or innovation of the proposal;
- 1.2.2. Functional or technical merits;
- 1.2.3. The City's needs;
- 1.2.4. Availability of funding;
- 1.2.5. Costs versus benefits;
- 1.2.6. Qualifications and experience of the supplier;
- 1.2.7. The extent to which the proposal meets the goals of the Sustainable Procurement Policy; and
- 1.2.8. Determination if any contract entered into pursuant to the proposal would be exempt from the applicable trade agreement(s).
- 1.2.9. If it is determined by the delegated authority for the business area that the proposal warrants further review, the business area will inform a CPSS Buyer and may assign business area staff to investigate the opportunity further.

2. Evaluating Unsolicited Proposals

2.1. Should the business area determine that further evaluation of the proposal is warranted, prior to entering into a contract the business area will, with CPSS support, convene an evaluation committee with appropriate representation from the relevant City areas considering technical, strategic and other corporate factors,

as well as proportionality to the cost of the proposal. The supplier may be asked to submit additional information in advance of this review.

- 2.2.** The evaluation committee will perform the following tasks:
- 2.2.1.** Evaluating the supplier's technical, commercial, managerial and financial capabilities to determine whether the supplier's capabilities are adequate for undertaking the work;
 - 2.2.2.** Weighing, as relevant, the technical, commercial, managerial and financial aspects of the proposal and determining if the scale and scope of the work is in line with the requirements, the funding ability, and the interests of the City; and
 - 2.2.3.** Engaging additional City resources, as appropriate, to determine whether the sharing of risks as proposed in the proposal is acceptable to the City and if the work is in conformity with long term objectives of the City.
 - 2.2.4.** The City may require the supplier to submit additional information during the evaluation process. The City may also confer with third parties to gather additional information to be used for evaluation or other appropriate purposes.
 - 2.2.5.** Based on the evaluation, the City may decide to reject the proposal, to request amendments to the proposal, or to continue with the process. If the evaluation committee recommends seeking any modification in the functional or technical aspects, or the scale, scope, cost, or risk sharing of the proposal, the supplier will be allowed to consider the recommendations and, if the supplier wishes, resubmit its proposal within a given time period determined by the City. The evaluation committee will consider any amendments provided by the supplier in accordance with section 2.2 above.
 - 2.2.6.** If, based on the evaluation committee's recommendation, the City concludes that the unsolicited proposal is acceptable, the non-competitive procurement process must be followed.

Appendix 3

Contracting with Parties in Dispute Process

1. Recommendation to review dispute history

The Legal Services Branch will recommend to the Branch Manager of the area overseeing the most recently executed or current contract with the supplier and the Director of Contract Management (the “Reviewers”) that a supplier be reviewed for suspension under this Procedure.

The Legal Services Branch will make the recommendation for review on the basis that one or more recent contract(s) with the supplier involved disputes requiring the City to incur significant increased financial, operational, or legal cost due to disputes.

2. Evaluating dispute history

Upon receipt of the recommendation to review a supplier’s dispute history, Legal Services will supply the Reviewers with any of the following information that is applicable to make a decision as to whether or not to suspend the supplier:

- 2.1. Prior suspensions of the supplier including the length and when they occurred;
- 2.2. Number of disputes that have arisen under the contract(s);
- 2.3. Nature of the disputes that arose under the contract(s), especially relating to quality concerns, failure to perform, or warranty issues;
- 2.4. Whether the disputes required a formal dispute process to resolve including:
 - the number of disputes in total
 - the number of disputes that went to a formal dispute process, and
 - the type of process
- 2.5. Total amount paid for experts relating to the disputes;
- 2.6. Total amount paid for external legal counsel to handle the disputes;
- 2.7. Total amount paid to third parties to render decisions in the dispute process (e.g. mediator, referee, arbitrator);
- 2.8. Number and cost of operational resources required to process and deal with the disputes;

- 2.9. For those disputes for which a third party decision has been received (e.g. judge, referee, arbitrator) that involved a monetary claim by the supplier, % of amount claimed by supplier compared to amount awarded ($\geq 50\%$);
- 2.10. For those disputes for which a third party decision has been received (e.g. judge, referee, arbitrator) that did or do not involve a monetary claim by the supplier, % primarily in favour of the City, % primarily in favour of the supplier, and % with mixed results;
- 2.11. Any further information deemed relevant to the decision.

3. Decision to suspend a supplier

After reviewing the dispute history of the supplier, the Reviewers will decide whether to suspend the supplier on the grounds that the City will be at risk of significantly increased financial, operational or legal costs in administering a subsequent contract with the supplier. The decision will include details as to whether the suspension relates to specific types of contracts or all contracts.

The length of the suspension to be applied will be at the sole discretion of the Reviewers based on the significance of the dispute history and extent of increased financial, operational, or legal cost. However, as a guideline only, the Reviewers may, in the alternative, give the following length of suspensions:

1st suspension = 1 year

2nd suspension = 2 years

3rd suspension = 5 years

4. Appeal procedure

A supplier who has been suspended under this process may appeal the decision to the Supplier Management Appeal Committee.

The City's decision may be provided to the supplier by either registered mail to the registered corporate office or as provided in the notice provisions of the most recent contract with the supplier and is deemed received within seven (7) calendar days.

The same definitions and standards as provided pursuant to the Manage Supplier Performance Procedure under the Contract Management Administrative Policy A1205 will apply.

The decision of the Contract Management Appeal Committee is final and binding. There is no further right to appeal within the City or the courts.

Appendix 4

Conflict of Interest after City Employment Process

1. Disclosure of Involvement

- 1.1. If an employee becomes aware of a former employee's involvement in a City procurement, that employee must notify their supervisor.
- 1.2. Supervisors who become aware of a former employee's involvement in a City procurement must:
 - 1.2.1. Determine if the procurement is related to the work the former employee performed for the City; and
 - 1.2.2. If the work is related, notify the Branch Manager, CPSS of the former employee's involvement.
- 1.3. If the Branch Manager, CPSS, becomes aware of the involvement of a former employee in a City procurement, either during the procurement phase or after a contract is awarded, the Branch Manager will review the situation and may refer the matter to the Procurement Conflict of Interest Advisory Group for review.

2. Evaluating Potential Conflicts of Interest

- 2.1. The Branch Manager, CPSS will review and evaluate the description of the perceived conflict of interest and determine if the matter is referred to the Procurement Conflict of Interest Advisory Group.
- 2.2. Upon receipt of a matter referred, the Procurement Conflict of Interest Advisory Group will review and provide recommendations as to whether a conflict of interest or unfair competitive advantage exists.
- 2.3. When providing recommendations, the Procurement Conflict of Interest Advisory Group will consider any principles provided in applicable City policies, directives, procedures and guidelines, as well as the following:
 - 2.3.1. The former employee's previous roles and position with the City;
 - 2.3.2. The former employee's direct involvement with the relevant or similar goods, services, construction, or intellectual property rights being procured by the City, or the planning or execution of the procurement process and documents while an employee of the City; and

- 2.3.3.** The former employee's relationship with departments, branches, and their employees or agents that are associated with the contract being procured by the City.
- 2.4.** If the Procurement Conflict of Interest Advisory Group determines that a conflict of interest or unfair competitive advantage exists with regard to the involvement of the former employee, the Procurement Conflict of Interest Advisory Group will provide recommendations to the Branch Manager, CPSS, as to whether the conflict of interest or unfair competitive advantage can be mitigated or managed with the bidder.
- 2.5.** The Procurement Conflict of Interest Advisory Group will, along with its recommendations, provide written reasons in support of all recommendations made, the record of which will be retained by the Branch Manager, CPSS in accordance with the applicable City records retention schedule.

3. Addressing Conflicts of Interest

- 3.1.** The Branch Manager, CPSS will:
 - 3.1.1.** Decide that no conflict of interest or unfair competitive advantage exists;
 - 3.1.2.** If a conflict of interest or unfair competitive advantage exists, implement mitigation strategies to address the conflict or unfair competitive advantage;
 - 3.1.3.** If a conflict of interest or unfair competitive advantage exists, disqualify the applicable bidder from the City procurement, or take steps to terminate the applicable contract; or
 - 3.1.4.** If a conflict of interest or unfair competitive advantage exists, take any other measures as may be appropriate.

Appendix 5

Conflict of Interest of Employees Participating in City Procurements Process

1. Disclosure Procedure

- 1.1. All members of a City evaluation committee must acknowledge or sign the Evaluation Committee Member Obligations Acknowledgement form prior to the closing of the sourcing event.
- 1.2. If an evaluation committee member has or had (within the last 12 months) a personal relationship, a financial or controlling interest, or a former employment relationship with a bidder whose bid is under evaluation, the employee must notify their supervisor and CPSS staff responsible for the procurement and must not participate in the evaluation process, until reviewed and deemed permitted by the Branch Manager, CPSS.
- 1.3. Supervisors who become aware of an evaluation committee member who has or had (within the last 12 months) a personal relationship, a financial or controlling interest, or a former employment relationship with a bidder whose bid is under evaluation must notify the Branch Manager, CPSS.
- 1.4. If the Branch Manager, CPSS, becomes aware that an employee has or had (within the last 12 months) a personal relationship, a financial or controlling interest, or a former employment relationship with the bidder, either during the procurement process or after a contract is awarded, the Branch Manager will review the situation and may refer the matter to the Procurement Conflict of Interest Advisory Group for review.

2. Evaluating Potential Conflicts of Interest

- 2.1. The Branch Manager, CPSS will review and evaluate the description of the perceived conflict of interest and determine if the matter is referred to the Procurement Conflict of Interest Advisory Group.
- 2.2. Upon receipt of a matter referred, the Procurement Conflict of Interest Advisory Group will review and provide recommendations as to whether a conflict of interest or an unfair competitive advantage exists.
- 2.3. When providing recommendations, the Procurement Conflict of Interest Advisory Group will consider any principles provided in applicable City policies, directives, procedures and guidelines, as well as the following:
 - 2.3.1. The employee's interest in, or role or relationship with the bidder;

- 2.3.2.** The nature and frequency of the employee's communication and interactions with the bidder or members of the bidder's team, if any, while the employee is in possession of, or has access to, relevant materials and/or confidential information in relation to the procurement in question; and
- 2.3.3.** The employee's perspective regarding their involvement in the planning, preparation, evaluation and execution of the procurement process and documents, including whether there are any potential concerns about their ability to carry out their role and responsibilities with objectivity during the procurement process.
- 2.4.** If the Procurement Conflict of Interest Advisory Group determines that a conflict of interest or unfair competitive advantage exists with regard to the involvement of the employee in the procurement process, the Procurement Conflict of Interest Advisory Group will provide recommendations to the Branch Manager, CPSS, as to whether the conflict of interest can be mitigated or managed.
- 2.5.** The Procurement Conflict of Interest Advisory Group will, along with its recommendations, provide written reasons in support of its recommendations, the record of which will be retained by the Branch Manager, CPSS in accordance with the applicable City records retention schedule.

3. Addressing Conflicts of Interest

- 3.1.** The Branch Manager, CPSS will:
 - 3.1.1.** Decide that no conflict of interest or unfair competitive advantage exists;
 - 3.1.2.** If a conflict of interest or unfair competitive advantage exists, implement mitigation strategies to address the conflict or unfair competitive advantage;
 - 3.1.3.** If a conflict of interest or unfair competitive advantage exists, recuse the City employee from the evaluation of the competitive procurement opportunity, disqualify the applicable bidder from the City procurement, or take steps to terminate the applicable contract; or
 - 3.1.4.** If a conflict of interest or unfair competitive advantage exists, take any other measures as may be appropriate.

Appendix 6

Conflict of Interest Related to Members of Civic Agencies Process

1. Disclosure of Involvement

- 1.1. If an employee becomes aware of a member of a Civic Agency or an Administrative Advisory Committee's involvement in a City procurement, that employee must notify their supervisor.
- 1.2. Supervisors who are aware of a member of a Civic Agency or an Administrative Advisory Committee participating in a procurement process as a bidder or a member of the bidder's proposed team must:
 - 1.2.1. Determine if the member of the board, agency or committee is in possession of, or has access to, relevant materials and/or confidential information that would provide an unfair competitive advantage to the bidder; and
 - 1.2.2. Determine if the procurement is related to the work the member of the Civic Agency or Administrative Advisory Committee has performed or is currently performing for the Civic Agency or Administrative Advisory Committee.
- 1.3. If the member has access to such relevant materials and/or confidential information or is performing related work for the Civic Agency or Administrative Advisory Committee, the Supervisor must notify the Branch Manager, CPSS immediately.
- 1.4. If the Branch Manager, CPSS, becomes aware of a member of a Civic Agency or an Administrative Advisory Committee who participates in a procurement process as a bidder or a member of the bidder's proposed team and it may result in a conflict of interest or unfair competitive advantage that cannot be mitigated, the Branch Manager will review the situation and may refer the matter to the Procurement Conflict of Interest Advisory Group for review.

2. Evaluating Potential Conflicts of Interest

- 2.1. The Branch Manager, CPSS will review and evaluate the description of the perceived conflict of interest and determine if the matter is referred to the Procurement Conflict of Interest Advisory Group.

- 2.2.** Upon receipt of a matter referred, the Procurement Conflict of Interest Advisory Group will review and provide recommendations as to whether a conflict of interest or unfair competitive advantage exists.
- 2.3.** When providing recommendations, the Procurement Conflict of Interest Advisory Group will consider any principles provided in applicable City policies, directives, procedures and guidelines, as well as the following:
 - 2.3.1.** The member's interest, roles or relationship with the bidder;
 - 2.3.2.** The member's direct involvement with the relevant or similar goods, services, construction or intellectual property rights being procured by the City, and the planning, preparation or execution of the procurement process and documents;
 - 2.3.3.** If the member is in possession of, or has access to, relevant materials and/or confidential information in relation to the procurement in question; and
 - 2.3.4.** The member's relationship with departments, branches, and their employees or agents that are associated with the contract being procured by the City.
- 2.4.** If the Procurement Conflict of Interest Advisory Group determines that a conflict of interest or unfair competitive advantage exists with regard to the member of a Civic Agency or an Administrative Advisory Committee in the evaluation of the bidder's submission, the Procurement Conflict of Interest Advisory Group will provide recommendations to the Branch Manager, CPSS, as to whether the conflict of interest or unfair competitive advantage can be mitigated or managed with respect to the procurement.
- 2.5.** The Procurement Conflict of Interest Advisory Group will, along with its recommendations, provide written reasons in support of all recommendations made, the record of which will be retained by the Branch Manager, CPSS in accordance with the applicable City records retention schedule.

3. Addressing Conflicts of Interest

- 3.1.** The Branch Manager, CPSS will:
 - 3.1.1.** Decide that no conflict of interest or unfair competitive advantage exists;
 - 3.1.2.** If a conflict of interest or unfair competitive advantage exists, implement mitigation strategies to address the conflict or unfair competitive advantage;

- 3.1.3.** If a conflict of interest or unfair competitive advantage exists, disqualify the applicable bidder from the City procurement, or take steps to terminate the applicable contract; or
- 3.1.4.** If a conflict of interest or unfair competitive advantage exists, take any other measures as may be appropriate.

Appendix 7

Retainer of Lawyers and Experts for Legal Purposes Process

1. Preparing and Negotiating the Contract

- 1.1. A Legal Services Branch lawyer or adjuster must develop a contract scope for the procurement. The contract scope consists of the work the City requires the supplier to perform and will be incorporated into the appropriate contract or retainer later in this process.
- 1.2. The Legal Services Branch lawyer or adjuster will identify a proposed supplier to provide the services outlined in the contract scope.
- 1.3. The Legal Services Branch lawyer or adjuster will request a quotation from the proposed supplier.
- 1.4. The Legal Services Branch lawyer or adjuster will complete the Retainer of Lawyers and Experts for Legal Purposes Approval Form and have the required delegated authority sign it.

For retainers where the business area is paying the contract fees and uninsured claims, the Legal Services Branch lawyer or adjuster must also get the approval of the appropriate business area expenditure officer.

- 1.5. In cases where the City is retaining a lawyer, the City and the supplier will agree upon the form of retainer to be used.
- 1.6. In cases where the City is retaining an expert, the Legal Services Branch lawyer or adjuster will provide the proposed supplier with the appropriate City standard retainer contract for signature. There are three City standard retainer contracts for hiring experts for legal purposes:
 - 1.6.1. Simple expert retainer (primarily for non-commercial entities or small retainers where a simple form agreement is appropriate, e.g., medical doctors);
 - 1.6.2. Intermediate expert retainer (primarily for commercial entities or modest retainers where a modest form of agreement is appropriate, e.g., small businesses); and
 - 1.6.3. Complex expert retainer (primarily for sophisticated commercial entities or larger retainers, e.g., national accounting firms).
- 1.7. In cases where the City is retaining an expert, if the proposed supplier proposes amendments to the City standard retainer contract, or proposes an alternative

retainer contract, a Legal Services Branch lawyer must review the proposed amendments or alternative retainer contract prior to any acceptance of any such proposed amendments or alternative retainer contract.

- 1.8.** Notwithstanding the Manage, Monitor, and Ensure Contract Compliance Procedure, prior to the execution of the retainer contract, the Legal Services Branch lawyer or adjuster must, when a retainer is valued at \$25,000 or greater, complete a contract management plan using the Retainer of Lawyers and Experts for Legal Purposes Contract Management Plan Template.

The contract management plan must be approved by the City Solicitor or a Legal Services Branch Director.

While not required for retainer contracts below \$25,000, Legal Services Branch lawyers and adjusters are encouraged to complete a contract management plan. Contract management plans for retainer contracts below \$25,000 do not need to be approved by the City Solicitor or a Legal Services Branch Director.

2. Execution of the Contract

- 2.1.** After the City and the proposed supplier have concluded any necessary negotiations, and any necessary legal review, the Legal Services Branch lawyer or adjuster will ensure that the proposed supplier and the City delegated authority sign the retainer contract.
- 2.2.** The Legal Services Branch lawyer or adjuster will forward a copy of the signed retainer contract to the Office of the City Clerk to be sealed and kept for safekeeping unless highly confidential or sensitive.

The Legal Services Branch lawyer or adjuster must ensure that the copy of the signed retainer contract sent to the Office of the City Clerk is accompanied by a memorandum indicating that the signed retainer contract is privileged.

- 2.3.** The Legal Services Branch lawyer or adjuster will manage the contract in accordance with the approved contract management plan, if applicable.

3. Amendments to the Contract

- 3.1.** For greater certainty, the Contract Amendments Procedure does not apply to retainers procured under the Retainer of Lawyers and Experts for Legal Purposes section, which will instead be amended in accordance with the following:
 - 3.1.1.** Retainers may be amended by entering into an amending agreement signed by the delegated authority and the supplier.

- 3.1.2.** Prior to executing the amending agreement, the Legal Services Branch lawyer or adjuster must complete the Retainer of Lawyers and Experts for Legal Purposes Approval Form and have the required delegated authority sign it.

For retainers where the business area is paying the contract fees and uninsured claims, the Legal Services Branch lawyer or adjuster must also get the approval of the appropriate business area expenditure officer. The contract management plan should be updated, if applicable, but the updated version does not need to be approved.