

**Town of Drumheller
COUNCIL MEETING
AGENDA**

**Monday, November 9, 2020 at 4:30
PM**

**Council Chamber, Town Hall
224 Centre Street, Drumheller,
Alberta**



Page

1. CALL TO ORDER

2. MAYOR'S OPENING REMARK

3. ADOPTION OF AGENDA

- 3.1. Agenda for November 9, 2020 Regular Council Meeting

Motion:

That Council adopt the November 9, 2020 Regular Council meeting agenda as presented.

4. MINUTES

3 - 5

- 4.1. Minutes for the October 19, 2020 Regular Council Meeting

Motion:

That Council adopt the October 19, 2020 Regular Council Meeting minutes as presented.

[Regular Council - 19 Oct 2020 - Minutes](#)

5. REQUEST FOR DECISION / REPORTS

5.1. CHIEF ADMINISTRATIVE OFFICER

6 - 16

- 5.1.1. Request for Decision - C-09-20 Purchasing Policy Amendments

[RFD - C-09-20 Purchasing Policy Amendments](#)

[Policy C-09-20 Purchasing Policy Revised](#)

5.2. CHIEF RESILIENCY & FLOOD MITIGATION OFFICER

- 5.2.1. Update on Flood Mitigation Project

6. CLOSED SESSION

- 6.1. Tax Roll 1002355 - FOIP 16 (1) - Disclosure harmful to business interests of a third party

Motion:

That Council close the meeting to the public to discuss items related to tax roll 1002355 as per FOIP 16 (1)

- 6.2. Drumheller Flood Mitigation - FOIP 16(1) - Disclosure harmful to business interests of a third party.

Motion:

That Council close the meeting to the public to discuss the Drumheller Flood Mitigation project as per FOIP 16(1).

6.3. CRFMO Evaluation - FOIP 19 (1) - Confidential Evaluation

Motion:

That Council close the meeting to the public to discuss the CRFMO Evaluation as per FOIP 19 (1).

7. ADJOURNMENT



Town of Drumheller
COUNCIL MEETING MINUTES
October 19, 2020, 2020 at 4:30 PM
Council Chamber, Town Hall
224 Centre Street, Drumheller, AB, T0J 0Y4

IN ATTENDANCE:

Mayor Heather Colberg
Councillor Kristyne DeMott
Councillor Jay Garbutt
Councillor Tony Lacher
Councillor Fred Makowecki
Councillor Tom Zariski

Chief Administrative Officer (CAO): Darryl Drohomerski
Director of Emergency and Protective Services: Greg Peters
Communications Officer: Erica Crocker
Legislative Assistant: Denise Lines

APPROVED LEAVE:

Councillor Lisa Hansen-Zacharuk

1. CALL TO ORDER

The Mayor called the meeting to order at 4:30pm

2. MAYOR'S OPENING REMARK

3. ADOPTION OF AGENDA

3.1. Agenda for the October 19, 2020 Regular Council Meeting

Amendments to the Agenda:

Addition to the agenda - Closed Session CAO Evaluation - FOIP 19 (1) –
Confidential Evaluation

M2020.220 Moved by Makowecki, DeMott that Council adopt the October 19, 2020 Regular Council Meeting agenda as amended.

Carried unanimously

Regular Council Meeting Minutes
October 19, 2020

4. MINUTES

5. DELEGATIONS

5.1. Wild Rose Assessment Process Presentation - Stephen Washington

S. Washington is the property assessor for the Town of Drumheller.
If you have any property assessment questions please feel free to contact him
403-343-3357.

6. REQUEST FOR DECISION REPORTS

6.1. CHIEF ADMINISTRATIVE OFFICER

6.2. CHIEF RESILIENCY & FLOOD MITIGATION OFFICER

6.3. CORPORATE SERVICES

6.3.1. RSM Canada 2019 Financial Audit Review - Leon Pfeiffer, RSM Canada, Partner
(Remote)

Leon Pfeiffer presented the Town of Drumheller financial audit review.
Councillor Garbutt requested a review of Note 17.

M2020.221 Moved by Zariski, Lacher that Council approve the 2019 financial statements as presented with amendments.

Carried unanimously

6.4. REVIEW OF STRATEGIC PRIORITIES

6.4.1. Community Development & Social Planning - A. Harrison, Manager CDSP - Event
Coordinator
Follow up - October 13, 2020 Poverty Reduction Update.

7. CLOSED SESSION

7.1 CAO Evaluation - FOIP 19 (1) – Confidential Evaluation

M2020.222 Moved by Garbutt, DeMott that Council close the meeting to the public to discuss
CAO Evaluation as per FOIP 19 (1). Time 6:04pm

M2020.223 Moved by Makowecki, Zariski that Council open the meeting to the public. Time
6:30pm.

Regular Council Meeting Minutes
October 19, 2020

7. ADJOURNMENT

Chief Administrative Officer

Mayor



REQUEST FOR DECISION

TITLE:	Purchasing Policy C-09-20
DATE:	November 4, 2020
PRESENTED BY:	Darryl Drohomerski, Chief Administrative Officer
ATTACHMENTS:	Purchasing Policy C-02-17

SUMMARY:

Administration has performed a detailed review of the Town’s Purchasing Policy. Amendments are required to update references to government trade agreements such as the Canadian Free Trade Agreement (CFTA) and provincial organizations such as the Rural Municipalities Association (RMA) as well as the new Town website www.drumheller.ca.

An increase in the amount for the Local Preference clause reflects Council’s economic development strategy and community vision. Local suppliers may be granted a pre-tax price differential preference of 10% rather than the previous 5% over other suppliers on individual purchases up to Twenty-Five thousand (\$ 25,000), provided that with the exception of price, all things are considered equal once specifications and terms have been reviewed.

Updates are required to expenditure amounts for Direct Purchases and for the Infrastructure Services department, to allow fluid procurement without unnecessary approval constraint. Infrastructure Services annually procures a significantly higher volume of goods and services than other Town departments due to the number of new and ongoing projects required to keep facilities and assets operational. To allow for this, the Director of Infrastructure Services shall be authorized to award Request for Quotation (RFQ), Request for Proposal (RFP), or Tender (RFT) up to a maximum of One Hundred thousand (\$ 100,000), rather than the Twenty-Five thousand (\$ 25,000) approval amount for other department directors. The Direct Purchase amount has been increased to \$ 10,000 from \$ 5,000 subject to manager approval.

Section numbering and typographical errors in the previous policy have been corrected. No other amendments have been made. The version presented highlights the changes contemplated.

RECOMMENDATION:

Administration recommends that Council approve Purchasing Policy C-09-20 as presented.

FINANCIAL IMPACT:

None.

STRATEGIC POLICY ALIGNMENT:

Fiscal responsibility, strong economic development practices, streamlining of processes and good governance.

COMMUNICATION STRATEGY:

The approved signed policy will be posted on the Town website and distributed per the policy distribution procedure.

MOTION:

Councillor _____

Moves to That Council approve Policy C-09-20 as presented.

SECONDED:

Libby Vant
Prepared By:
Libby Vant
Senior Administrative Assistant


Approved:
Darryl Drohomerski, C.E.T.
Chief Administrative Officer



COUNCIL POLICY #C-09-20

Repealing Policy #C-02-17

PURCHASING

1.0 POLICY STATEMENT:

- 1.1 The Town of Drumheller will make every effort to ensure that procurement of goods and services is conducted using purchasing practices that are fair, consistent, transparent and in accordance with applicable provincial and federal legislation, while seeking to obtain the Best Value for the municipality.

2.0 THE PURPOSE OF THIS POLICY IS TO:

- 2.1 This purchasing policy is a guide to the Town of Drumheller purchasing methods. The policy will enable the Town to obtain needed materials, equipment, supplies, and services efficiently and economically and provides the foundation for sound purchasing procedures.

3.0 POLICY GUIDING PRINCIPLES:

- 3.1 Ensure a high level of accountability is maintained;
- 3.2 Procure the necessary quality and quantity of goods and services in an efficient, timely and cost effective manner, while maintaining the controls necessary for a public institution;
- 3.3 Encourage an open, non-discriminatory bidding process practicable for the acquisition of goods and services;
- 3.4 Recognize the value of supporting local businesses wherever possible, subject to the terms and conditions of this policy;
- 3.5 Ensure the maximum value of an acquisition is obtained by determining the total cost of performing the intended function over the lifetime of the task,



including, but not limited to: acquisition cost, training cost, maintenance cost, operating cost, quality of performance and environmental impact;

- 3.6 Be subject to all applicable Town policies and bylaws, any specific provisions of the Municipal Government Act, or other relevant legislation;
- 3.7 Promote positive vendor relations, cultivated by informed and fair buying practices and strict maintenance of ethical standards;
- 3.8 The municipality is bound by legislated trade agreements such as the ~~Agreement on Internal Trade (AIT)~~ **Canadian Free Trade Agreement (CFTA)**, the New West Partnership Trade Agreement (NWPTA) or any other like agreement entered into by a higher order of government, that requires fair and open tendering of procurement opportunities. Purchases over the thresholds of \$ 75,000 for goods and services and \$ 200,000 for construction are subject to the requirements of the NWPTA that requires non-discrimination and transparency in procurement policies and practices;
- 3.9 The Town of Drumheller is a trade member of the ~~Alberta Association of Municipal Districts and Counties (AAMDC)~~ **Rural Municipalities of Alberta (RMA)** and the Alberta Association of Urban Municipalities (AUMA) who, on behalf of their trade members, have negotiated competitive and bulk pricing agreements with numerous suppliers. Wherever possible and where the best value for the municipality is obtained by doing so, purchases may be made directly from the supplier under the negotiated terms and conditions, without seeking additional competitive pricing;
- 3.10 This policy does not apply to real estate transactions, investment or borrowing, postage, membership and subscription payments or grants to non-profit organizations.

4.0 DEFINITIONS:

- 4.1 Alberta Purchasing Connection means *a Government of Alberta electronic tendering system that meets the interprovincial tendering requirements of the Agreement on Internal Trade.*
- 4.2 Best Value for the Municipality means *the most advantageous balance between quality, specifications, service, timely delivery, assurance of supply and delivery, experience, and price.*



- 4.3 Bid opportunity means one of the following:
- i Request for Quotation (RFQ) means *a request for a supplier to provide pricing on specific product and/or services that is clearly defined and where the purchase is of low value or risk to the Town.*
 - ii Request for Proposal (RFP) means *an invitation for a supplier to showcase their expertise by proposing how their services, products and methods can provide a solution to a problem, requirement or objective. The scope of the project, the deliverables and the criteria by which submissions will be evaluated against are defined within the proposal.*
 - iii Request for Tender (RFT) means *a formal public invitation to suppliers to bid on the provision of a service at a specific price based on detailed specifications and is used where goods or services are of a high value and/or high risk and result in a formal contract for which little flexibility is required.*
- 4.5 Chief Administrative Officer (CAO) means *the person appointed by Council as per the Municipal Government Act to manage the municipality's business.*
- 4.6 Construction project means *infrastructure construction including roads, water, wastewater, buildings, site improvements, etc., that results in a tangible capital asset.*
- 4.7 Direct Purchase means *a purchase of a good or service direct from a supplier without the sourcing of comparative pricing and is typically the method used for small, incidental, low value purchases where the cost of sourcing comparative pricing outweighs the benefit.*
- 4.8 Emergency Purchase means *an expenditure that is a result of an immediate risk to the health or safety of the general public or municipal employee(s) or to mitigate the level of damage to municipal or private property or the environment.*
- 4.9 Freedom of Information and Protection of Privacy (FOIP) means *the Act public bodies including municipalities, universities and school boards are governed by.*



- 4.10 Goods and Service means *all purchases including professional services and operational contracts, with the exception of construction.*
- 4.11 Goods and Services Tax (GST) means *the Goods and Services Tax or Harmonized Sales Tax as outlined in the Excise Tax Act.*
- 4.12 Lowest Evaluated Cost means *the price offered by a supplier, service provider, or contractor that is found to be the lowest after consideration of all relevant factors and the calculation of any weighting for these factors, provided that such factors have been specified in the bid documents.*
- 4.13 New West Partnership Trade Agreement (NWPTA) formerly the Trade, Investment and Labour Mobility Agreement (TILMA), means *the interprovincial agreement between Alberta, BC, Saskatchewan and Manitoba ensuring fair and open tendering and procurement by way of tendering requirements outlined for prescribed financial thresholds.*
- 4.14 Negotiation Method means *the purchase of goods or services through the negotiation of an agreement with a supplier where there is no open competition.*
- 4.15 Procurement Card means *the corporate credit card or other purchasing card such as a fuel card issued to authorized purchaser.*
- 4.16 Sole Source means *that there is a single supplier of a required product or service that the Town requires and where terms and conditions of purchase are negotiated.*
- 4.17 Total Acquisition means *the value of all costs including but not limited to price, trade in values, delivery, installation and training, consumable consumption, service and ongoing maintenance, warranty and disposal.*

5.0 DEFINITION OF RESPONSIBILITIES:

- 5.1 The Council for the Town of Drumheller is responsible for approving this policy and the allocation of resources through the adoption of the annual operating and capital budgets and to authorize purchases that exceed the Chief Administrative Officer's delegated level of authority.



- 5.2 The Chief Administrative Officer is responsible for the overall oversight of all municipal operations and staff under the direction of the Mayor and Council, as per the approved budget, policies and procedures of the Town, to oversee the formal bid process including advertising for bids, accepting bid opportunities, and the opening of bids, and to authorize purchases that exceed the delegated level of authority of Directors.
- 5.3 The Director of Corporate Services is responsible for all aspects of the financial operations of the Town of Drumheller in accordance with the Municipal Government Act, all applicable laws and agreements, and all related Bylaws. In addition, the Director of Corporate Services is responsible for:
- i Ensuring accounts for authorized expenditures referred to in Section 248 of the Municipal Government Act are paid in accordance with the Municipal Government Act, Town Bylaws, policies and contracts;
 - ii Monitoring the bid process to ensure compliance with this policy. The Director of Corporate Services may review in detail any bid or bid award.
- 5.4 Corporate Services will coordinate the procurement of goods and services where there is a financial advantage to the municipality to purchase in bulk or where several departments are purchasing goods and services that are essentially the same.
- 5.5 The Director of a Department is responsible to:
- i Ensure that all contractual obligations are supported by an appropriation that authorizes the expenditure;
 - ii Comply with all Town purchasing procedures covering procurement and disposal;
 - iii Establish department guidelines for maintaining appropriate levels of inventory supplies;
 - iv Ensure the maintenance of adequate purchasing records, including a database of vendors established in an accessible vendor file;
 - v Upon request, assist department staff in locating the best source for supplies, materials, and equipment;



- vi Assist department staff in conducting negotiations with vendors concerning prices, bids, terms, deliveries, and adjustments;
- vii Ensure all purchases are made by department personnel in accordance with this policy;
- viii Keep on file vendor information, catalogues, samples, price quotes, etc., to be used by all department employees;
- ix Conduct the formal bid process, including advertising for bids, notifying vendors, accepting bid opportunities and serving as a primary resource for questions from vendors.

5.6 All Town employees and elected officials are responsible to comply with all the rules and regulations set forth herein and to conduct business with vendors in a professional manner that promotes honesty and fairness:

- i Requisition goods and services in such a way as to allow time for competitive bidding, ordering, and delivery of materials;
- ii Obtain these goods based upon competitive bids and to give consideration to product price, value, quality, performance and delivery.

6.0 PROHIBITIONS:

- 6.1 No employee shall benefit personally either directly or indirectly from purchases made on behalf of the Town;
- 6.2 Violations of the purchasing policy may result in disciplinary action, up to and including dismissal.

7.0 PURCHASING REQUIREMENTS:

- 7.1 All expenditures shall be authorized through the adoption of the annual operating and capital budgets unless otherwise approved by council resolutions or is deemed to be an emergency purchase;
- 7.2 Where a required expenditure exceeds the budget provision, the individual requesting approval must identify available funds for the required expenditure and submit a budget change form to the Director of Corporate Services requesting reallocation of budget dollars, prior to purchasing;



- 7.3 Purchasing awards shall be made for equipment, supplies, and services that will give best value based on quality, specifications, service, price, and timely delivery;
- 7.4 Obtaining annual fixed pricing for goods and services up to a maximum determined quantity can be arranged, subject to the terms and conditions of the purchasing policy;
- 7.5 The procurement of a goods, service, or construction project that is to be funded in part or in whole by the federal or provincial government shall be made following the regulations outlined by the granting body. Typically, this will require an award to the lowest evaluated cost received.

8.0 LOCAL PREFERENCE:

- 8.1 Preference will be given to suppliers operating from taxable property within Drumheller where all bids or quotations offered for consideration are deemed equal. Local suppliers will be granted a pre-tax differential preference of ~~5%~~ 10% over the other suppliers on individual purchases up to Twenty-Five thousand (\$ 25,000), provided that, with the exception of price, all things are considered equal once specifications and terms have been reviewed.

9.0 ADVERTISING:

- 9.1 A notice of all Request for Proposal (RFP) and Tender (RFT) opportunities shall be posted on the Town website at www.dinosaurvalley.com/tenders www.drumheller.ca/bidopp;
- 9.2 Request for Proposals (RFP) and Tenders (RFT) estimated to be Seventy-Five thousand (\$ 75,000) or greater in value or where funding is provided by another order of government must be posted on the Alberta Purchasing Connection;
- 9.3 Request for Quotation (RFQ), Request for Proposal (RFP) and Tender (RFT) award results shall be advertised on the Town's website at www.dinosaurvalley.com www.drumheller.ca/bidopp.

10.0 PURCHASING PROCEDURE AND AUTHORITY:

- 10.1 The table below outlines the method of procurement required in relation to type of purchase and the total acquisition cost of expenditure.



Total Purchase Value (pre G.S.T.)	Procurement Method	Additional Requirements	Required Approval
up to \$ 5,000 \$ 10,000	Direct Purchase or Procurement Card or Negotiation or at manager's discretion		As per Financial Authority Policy
\$ 10,000 - \$ 25,000	Request for Quotation (RFQ) or Request for Proposal (RFP)	Notice of opportunity posted on Town website	Director
\$ 25,000 - \$ 100,000	Request for Proposal (RFP) or Tender (RFT)	Notice of opportunity posted on Town website and APC as needed	CAO or Infrastructure Director
\$ 100,000 - \$ 250,000	Request for Proposal (RFP) or Tender (RFT)	Advertised on APC to meet AT CFTA and NWTPA requirements	CAO

- 10.2 When three (3) quotations are not available due to supplier limitation, Director approval is required;
- 10.3 Providing that the successful bid is the lowest evaluated cost, meets all of the terms and conditions of the bid, the overall budget has been approved by Council and sufficient funds are available in the budget, the CAO can award bids up to Two Hundred and Fifty thousand (\$ 250,000);
- 10.4 Any bid that exceeds Two Hundred and Fifty thousand (\$ 250,000), is not the lowest evaluated bid received, or exceeds the budgeted figure must receive approval by Council before being awarded.
- 10.5 **Due to the volume of purchasing conducting by the Infrastructure Services Department, this Department shall have thresholds of greater value than other Departments as follows:**
 - i. **The Director shall be authorized to award Request for Quotation (RFQ), Request for Proposal (RFP), or Tender (RFT) up to a maximum of One Hundred thousand (\$ 100,000).**

11.0 SOLE SOURCE PURCHASE:

- 11.1 Sole source purchasing may occur when only one supplier of a goods or service meeting the requirement of the town is available. Examples where sole source purchasing may be required includes but **is** not limited to the purchase of consumable supplies that would otherwise void or nullify warranties when purchased from another source, and item purchased for



testing or trial use, or the purchase of supplies for resale. Negotiation shall be relied upon for sole purchasing.

12.0 PROCUREMENT/CORPORATE CREDIT CARD:

12.1 Procurement cards or corporate credit cards may be issued to employees in order to better facilitate the processing of small or routine purchases. The issuance of procurement cards is under the guidance of the Director, Corporate Services, and subject to the requirements as outlined within the corporate credit card policy.

13.0 EMERGENCY PURCHASING PROCEDURE:

13.1 If the Chief Administrative Officer determines that an emergency exists, the competitive bidding requirement for purchases may be waived at ~~his/her~~ **their** discretion;

13.2 Immediately following the procurement, the CAO shall prepare and submit a Request for Decision together with supporting documentation to the Council for ratification at its next Council meeting.

14.0 INFORMATION AND CONFIDENTIALITY:

14.1 The Town of Drumheller is subject to FOIP legislation. Any and all release of information shall be in accordance with FOIP. In general, the name of the bidder and the total bid amount is released;

14.2 During the procurement process, any information made available to a prospective vendor that may influence other prospective vendors' responses shall be made available to all prospective vendors;

14.3 Information that may create unfair advantage will remain confidential and will not be released to the public or a single potential vendor.

Date: _____

Chief Administrative Officer

Mayor of Drumheller