POLICY TITLE	ADOPTED BY	DATE
Purchasing Policy	City Council	March 24, 2004
ORIGIN / AUTHORITY Executive Policy Committee	**CITY POLICY NO** FI-003	**MOST RECENT CONSOLIDATION** May 30, 2024

This document is an office consolidation of amendments to the policy. The City of Winnipeg expressly disclaims any responsibility for errors or omissions.

A. Purpose:

The City of Winnipeg Purchasing Policy provides governance of purchasing functions and is founded on the following guiding principles:

The City's needs must be met in an effective and efficient manner.

The taxpayers of the City are entitled to the best value for their taxes.

All businesses are entitled to fair and ethical treatment.

Procurement of sustainable goods and services.

B1. Definitions:

B1.1 Unless a different definition is prescribed for the particular provision, the words and phrases defined in this section shall have the meaning set forth below whenever they appear in this Policy:

(a) "**Administrative Standard**" means a written standard by the Chief Administrative Officer with regard to any matter governed by this Policy, having general or particular application, or present or future effect, which is designed to implement or interpret any thing or matter governed by this Policy

(b) "**amount**" means money, property or a service, expressed in terms of the **amount** of money or the value in terms of money of the property or service

(c) "**appropriate Standing Committee**" means the Executive Policy Committee or the Standing Committee designated by Council in By-law 7100/97 and any amendments thereto, and any by-law in substitution therefor, to which an administrative division reports

(d) "**Chief Administrative Officer**" means the City employee holding that office or, if applicable, the successor to the authority or responsibility of such office

(e) "**City**" means The City of Winnipeg as continued under The City of Winnipeg Charter, Statutes of Manitoba 1989-90, c. 10, and any subsequent amendments thereto

(f) "**consideration**" includes any amount that is payable for a supply, by contract or by operation of law

(g) "**contractor**" means a person contracting with the City as a supplier or as a recipient

(h) "**cooperative contract**" means a contract:

(i) arising through a solicitation conducted by the City which may include another public sector body or a group composed of two or more thereof; or

(ii) arising through a solicitation conducted by another public sector body, or a group composed of two or more thereof; which includes the City as a party to the contract or allows the City to contract under the same terms and conditions

(i) "**Council**" means the Council of The City of Winnipeg

(j) "**financial service**" means:

(i) the exchange, payment, issue, receipt or transfer of money, whether effected by the exchange of currency, by crediting or debiting accounts or otherwise

(ii) the operation or maintenance of a savings, chequing, deposit, loan, charge or other account

(iii) the lending or borrowing of a financial instrument

(iv) the issue, granting, allotment, acceptance, endorsement, renewal, processing, variation, transfer of ownership or repayment of a financial instrument

(v) the provision, variation, release or receipt of a guarantee, an acceptance or an indemnity in respect of a financial instrument

(vi) the payment or receipt of money as dividends (other than patronage dividends), interest, principal, benefits or any similar payment or receipt of money in respect of a financial instrument

(vii) the payment or receipt of an amount in full or partial satisfaction of a claim arising under an insurance policy

(viii) the making of any advance, the granting of any credit or the lending of money

(ix) the underwriting of a financial instrument

(x) any service provided pursuant to the terms and conditions of any agreement relating to payments of amounts for which a credit card voucher or charge card voucher has been issued

(xi) the service of investigating and recommending the compensation in satisfaction of a claim

(k) “**goods**” means property that is not real property

(l) “**money**” includes any currency, cheque, promissory note, letter of credit, draft, travellers cheque, bill of exchange, postal note, money order, postal remittance and other similar instrument, whether Canadian or foreign, but does not include currency the fair market value of which exceeds its stated value as legal tender in the country of issuance or currency that is supplied or held for its numismatic value

(m) “**person**” means an individual, firm, partnership, association or corporation, or any combination thereof, and includes heirs, administrators, executors or legal representatives of a person

(n) “**procurement model**” means the set of procedures used to purchase goods and services

(o) “**property**” means any property, whether real or personal, movable or immovable, tangible or intangible, corporeal or incorporeal, and includes a right or interest of any kind, a share and a chose in action, but does not include money

(p) "**public sector body**" means a government, a non-profit or philanthropic organization, a charity, a municipality, a school authority, a hospital authority, a public college or a university

(q) "**real property**" means messuages, lands and tenements of every nature and description and every estate or interest in real property, whether legal or equitable

(r) "**recipient**" of a supply means:

(i) where consideration is payable for the supply, the person who is liable to pay that consideration; and

(ii) where no consideration is payable for the supply, in the case of a supply of property, the person to whom the property is delivered or made available or to whom possession or use of the property is given is or made available, and in the case of a supply of service, the person to whom the service is rendered

(s) “**revenue generating contract**” means a contract where potential revenue is to be generated through the contract for payment to the City for the offer of goods or services

(t) "**service**" means anything other than:

(i) property

(ii) money; and

(iii) anything that is supplied to an employer by a person who is or agrees to become an employee of the employer in the course of or in relation to the office or employment of that person

(u) "**solicitation**" means an invitation to make an offer to the City, including without limitation invitation to tender, request for quotation, request for proposal, and invitation to negotiate

(v) "**Single Source**" means any supply where the City solicits a supplier or suppliers of its choice or where the City issues a solicitation that requires the contractor to supply goods or services of a particular supplier that have not been previously competitively bid

(w) "**subcontractor**" means a person contracting with a contractor as a supplier or recipient in respect of a supply to the City or a supply by (revenue generating) the City, and includes a subcontractor's subcontractor

(x) **"supplier"**, in respect of a supply, means the person making the supply

(y) **"supply"** means the provision of property or a service in any manner, including sale, transfer, barter, exchange, licence, rental, lease, gift or disposition

(z) "**surplus supplies**" means any supplies, whether new or used, which have a remaining useful life, having regard to maintenance and other costs associated with such use, including without limitation, scrap, obsolete equipment, lost or confiscated property and equipment or machinery

(aa) "**sustainable goods**" means environmentally, socially and economically preferable goods that have a more beneficial or less adverse impact on the economy, environment, health and social well-being when compared with competing goods

(bb) "**sustainable services**" means environmentally, socially and economically preferable services that have a more beneficial or less adverse impact on the economy, environment, health and social well-being when compared with competing services

(cc) "**Trade Agreements**" means any trade agreements that apply to the City of Winnipeg

B2. Scope of the Policy:

B2.1 Except as otherwise provided in clause B2.2, this Policy shall govern the following purchasing activities:

(a) Procurement of goods, services and construction

(b) transportation and distribution;

(c) *deleted by Council May 30, 2024*; and

(d) disposal of Surplus Supplies

B2.2 This Policy shall apply to any obligation created by contract for a supply to or by (revenue generating) the City, and the procedures preliminary thereto as provided in this Policy, but does not include:

(a) a supply of financial services; or

(b) a supply of real property; or

(c) a supply by the City of municipal services; or

(d) a contract of employment or collective agreement; or

(e) a contract entered into by The Board of Trustees of The Winnipeg Civic Employees' Benefit Program (Pension Fund) or the Sinking Fund Trustees.

B3. Solicitation of Competitive Offers

B3.1 Every supply to or by (revenue generating) the City shall be initiated through the solicitation of competitive offers unless permitted by:

(a) Section B4 - Single Source Negotiations; or

(b) Section B5 - Cooperative Contracts; or

(c) Resolution of Council.

B3.2 Solicitation of competitive offers may be either:

(a) Competitive-public:

(i) Issued by Purchasing and advertised on the Purchasing website.

(b) Competitive – modified competition:

(i) issued by Purchasing or a department to a number of bidders with approval of the Chief Administrative Officer; and

(ii) not to exceed the various Trade Agreement thresholds; and

(iii) may not be used where a funding agreement requires a public bid solicitation.

B3.3 Further to B3.2(a)(i), where all bids received for a particular Bid Opportunity are not in substantial compliance with the terms and conditions of that Bid Opportunity and the estimated contract value does not exceed the dollar limits set out in B8.2, the Chief Administrative Officer may determine, in the best interest of the City, that an award may be made to the Bidder who has submitted the most advantageous offer as a result of that publicly tendered Bid Opportunity with due regard to the evaluation criteria

B3.4 Any solicitation not in compliance with B3.2(a), B3.2(b) or B3.3, must be approved in accordance with B8.2.1. or as a single source negotiation in accordance with B4 of the Policy.

B4. Single Source Negotiations

B4.1 Subject to B8.1 (j), a supply to be made to the City may be negotiated without the solicitation of competitive offers where the Chief Administrative Officer determines that, it is in the best interest of the City, appropriate/necessary, and that:

(a) the supplier has an exclusive statutory right to make the requisite supply; or

(b) the supply is made by a public sector body, and the consideration is fair and reasonable; or

(c) the consideration for the supply is to be paid by a third party and that third party designates the supplier; or

(d) it is in the City's interests to protect the confidentiality of the supplier or the City; or

(e) the cost of solicitation of competitive offers is reasonably anticipated to exceed the benefits thereof; or

(f) the compatibility of a supply with existing property or services is the paramount consideration and that supply is available only from a single supplier; or

(g) the supply is for testing or trial use; or

(h) deleted by Council May 19, 2010

(i) the supply is for interim contractual arrangements following the expiration of a contract; or

(j) an emergency, including without limitation:

(i) an act of God; or

(ii) strikes or lock-outs; or

(iii) laws, by-laws, ordinances, directives, standards, codes and orders of authorities having jurisdiction, which come into force; or

(iv) the frustration or breach of a contract; or

(v) the receipt of unacceptable or uncompetitive bids.

creates an unforeseeable, immediate and serious need which jeopardizes the health or safety of any person, threatens public or private property or the environment, or adversely affects the functioning of the City, and which may not be reasonably met by any other procedure.

B4.2 A contract for a supply to be made pursuant to B4.1 (i) and (j), shall be only for the quantity or time reasonably required to meet the immediate need.

B4.3 A supply to be made by the City (revenue generating) may be negotiated without the solicitation of competitive offers where the Chief Administrative Officer determines that:

(a) it is in the City's interests to make the supply to a public sector body; or

(b) it is in the City's interests to make the supply as the consideration, or any part thereof, for a supply to the City; or

(c) the cost of disposal of property is reasonably anticipated to exceed the fair market value of the property.

B4.4 Where the request for Single Source negotiation exceeds the strictest thresholds of the various Trade Agreements, $200,000 for construction/$75,000 for goods and services, a cost/benefit analysis must accompany the request.

B5. Cooperative Contracts

B5.1 Where the Chief Administrative Officer determines that it is in the best interests of the City, a supply to or by (revenue generating) the City may be made under the terms and conditions of a cooperative contract.

B6. Ethics

B6.1 A person shall be in breach of the ethical standards of this Policy who knowingly:

(a) employs or offers to employ a City employee, or any person on such employee's behalf; or

(b) retains or offers to retain a City employee, or any person on such employee's behalf, as a subcontractor; or

(c) gives or offers to give a City employee, or any person on such employee's behalf, any money, property or services whether present or promised which provides for an inadequate consideration; or

(d) solicits the disclosure of, obtains or uses confidential information.

in connection with a solicitation or a contract for a supply to or by (revenue generating) the City.

B6.2 A City employee shall be in breach of the ethical standards of this Policy who:

(a) responds to a solicitation for or contracts for a supply to or by (revenue generating) the City; or

(b) while an owner, partner, shareholder, director or officer of a business, allows such business to respond to a solicitation for or contract for a supply to or by (revenue generating) the City; or

(c) is the employee of or a subcontractor to a contractor in connection with a solicitation for or contract for a supply to or by (revenue generating) the City; or

(d) solicits or accepts from a person, on behalf of himself or herself or any other person:

(i) employment; or

(ii) a contract as a subcontractor; or

(iii) any money, property or services whether present or promised which provides for an inadequate consideration in connection

with a solicitation or contract for a supply to or by (revenue generating) the City; or

(e) offers to disclose, discloses or uses confidential information in connection with a solicitation or contract for a supply to or by (revenue generating) the City; or

(f) for a supply for personal use:

(i) directly or indirectly uses the City; or

(ii) directly or indirectly uses the name of the City to solicit a discount or any other favourable terms accorded the City; or

(iii) where his or her identity is known to a person, knowingly accepts a discount or any other favourable terms accorded the City.

unless the supply is made pursuant to a contract or program authorized by the Chief Administrative Officer.

B6.2.1 A City employee shall not be deemed to be in breach of the ethical standards of this Policy by:

(a) bidding upon or purchasing City property offered at a public sale; or

(b) owning or purchasing publicly traded shares or bonds of a corporation which responds to a solicitation for or contracts for a supply to or by (revenue generating) the City; or

(c) being a director, officer or employee of a public sector body which responds to a solicitation for or contracts for a supply to or by (revenue generating) the City; or

(d) providing advice, services or public information in the due course of his or her duties as a City employee; or

(e) accepting, in the course of his or her duties:

(i) the normal exchange of hospitality among persons doing business; or

(ii) tokens of nominal value such as pens, calendars and the like exchanged as a part of business protocol; or

(iii) normal presentations made to persons participating in public functions, opinion surveys, product trials, or other such activities; or

(iv) such other items as may be specified by the Chief Administrative Officer.

B6.2.2 The appropriate authority identified in the City of Winnipeg Employee Code of Conduct may waive clause B6.2 (a), (b) and (c) where he or she is satisfied that proper disclosure has been made, that the City employee will be able to perform his or her duties as a City employee without bias or favouritism, and the award, if any, will be in the best interests of the City.

B6.3 Nothing herein shall be interpreted to abridge or affect any Criminal Statute, common law or equitable principle or to repeal any other ethical code approved by the City, including the City's Employee Code of Conduct. The more stringent requirements shall apply.

B7. Suspension and Debarment

B7.1 If there is sufficient cause to believe that the person has engaged in any activity as set out in B7.2, upon reasonable notice in writing to the person involved and after a reasonable opportunity for that person to make representations in opposition to a recommendation of suspension or debarment, the Chief Administrative Officer may, with due consideration, make an order to:

(a) suspend that person for a period not exceeding six months; or

(b) debar a person:

(i) upon a first instance, for a period not exceeding three years;

(ii) upon a second instance, for a period not exceeding five years;

(iii) upon a third or subsequent instance, for a period not exceeding ten years

from participating in a solicitation, acting as a contractor, or subcontractor or supplier to any person who is awarded a contract by the City of Winnipeg.

B7.2 Causes of debarment include:

(a) conviction for a criminal offence of a person or a director or officer of such person relating to obtaining or attempting to obtain by the person of a contract or subcontract, or indicating a lack of business integrity or honesty which directly and seriously affects the responsibility of the person, or arising out of the submission of bids, proposals or other like procedures; or

(b) serious breach of contract indicating an unwillingness or inability to perform a contract in accordance with the terms and conditions or in accordance with the specifications, or a record of unsatisfactory performance of one or more contracts in accordance with the terms and conditions thereof, or in accordance with its specifications; or

(c) the breach of any ethical standard set out in Section B6.

B7.2.1 The cause of debarment may, but need not, relate to a solicitation, award or performance of a City contract.

B7.3 The Chief Administrative Officer shall issue a written decision to suspend or debar a person setting out the reasons for suspension or debarment.

B7.3.1 The decision of the Chief Administrative Officer shall be conclusive and not subject to appeal.

B7.3.2 The suspension or debarment shall take effect immediately upon the decision of the Chief Administrative Officer.

B8. Authority of the Chief Administrative Officer

B8.1 Subject to The City of Winnipeg Charter, City by-laws and this Policy, the Chief Administrative Officer shall have authority to:

(a) approve by Administrative Standard such guidelines, procedures and standard forms, and prescribe their use, as he or she deems advisable for the interpretation and application of this Policy

(b) make Administrative Standards consistent with this Policy, whether or not the right to so regulate is expressly provided for herein

(c) approve the assignment of a contract or payment therefor in such form and subject to such terms and conditions as he or she deems advisable

(d) approve the termination of a contract, subject to such terms and conditions as he or she determines advisable, in consultation with Legal Services

(e) approve amendments to terms of a contract, including those set out in the General Conditions, in consultation with Legal Services

(f) determine that a bid is non-responsive and shall be rejected

(g) determine that it is in the best interest of the City to not make an award of contract, including where the recommendations comply with the Purchasing Policy but do not comply with the various Trade Agreements

(h) initiate a solicitation

(i) determine the appropriate procurement model for a project

(j) approve single source negotiations in accordance with B4. where the estimated value of the contract to be negotiated does not exceed $1,000,000, except in the case of an emergency, pursuant to B4.1 (j), which contract amount is not anticipated to exceed the dollar limits set out in B8.2

(k) approve a Competitive – modified competition solicitation in accordance with B3.2(b)

(l) to approve participation in cooperative contracts with other public sector entities where the participation in a particular contract is in the City's best interest, even if such participation may not strictly comply with the various trade agreements, in concurrence with Legal Services

(m) negotiate and approve the terms and conditions to enter into an agreement necessary to give effect to or establish the relationship of the City with the public sector body or group who will subsequently participate in a cooperative contract

(n) negotiate and approve the terms and conditions of any contract awarded in accordance with this Policy, or such other contract as determined necessary by the City Solicitor / Director of Legal

Services to implement the intent of the awarded contract, and such other terms and conditions deemed necessary by the City Solicitor / Director or Legal Services to protect the interests of the City

(o) determine which supplies are surplus supplies

(p) determine which surplus supplies are likely to be of use to other civic departments, agencies or bodies, and to determine the notice of availability, if any, to be given and the transfer for value, if any, between City departments

(q) delegate in writing any of his or her authority under this Policy.

B8.1.1 Further to B8.1 (j) and (k), where the estimated value of the contract to be negotiated exceeds $1million, or the procurement is not permitted under the Policy or the various Trade Agreements, the Chief Administrative Officer shall forward a recommendation to:

(a) the appropriate Standing Committee which may approve the Single Source negotiation where the Single Source is permitted under the Policy and the various Trade Agreements; *or*

(b) Executive Policy Committee which may approve the Single Source negotiation where the Single Source is not permitted under the Policy and/or not permitted under the various Trade Agreements.

B8.2 The Chief Administrative Officer shall have authority to approve and award a contract where:

(a) the contract is for a supply to the City, where the value of the contract does not exceed $10,000,000, and there are sufficient funds for the monetary consideration to be paid by the City in a budget therefor approved by Council; or

(b) the contract is for a supply to the City, not exceeding five years and where the estimated value of the contract does not exceed $10,000,000, and the contract does not create an absolute commitment for funds not yet approved by Council; or

(c) the contract is for a supply by the City (revenue generating).

B8.2.1 In all other cases, the Chief Administrative Officer shall forward a recommendation to the appropriate Standing Committee which may approve an award of contract to be made by the Chief Administrative Officer where:

(a) there are sufficient funds for the monetary consideration to be paid by the City in a budget therefor approved by Council; or

(b) the Standing Committee identifies sufficient available funds in an alternative budget approved by Council to cover the difference between the budgetary provision and the monetary consideration to be paid by the City.

B8.2.2 Where the criteria set out in clause B8.2.1 are not met, the appropriate Standing Committee shall forward a recommendation to Council including,

where appropriate, a recommendation for funding the difference between the budgetary provision and the monetary consideration to be paid by the City pursuant to the proposed contract. Council may approve an award of contract to be made by the Chief Administrative Officer.

B8.3 An award of contract made in good faith pursuant to this Policy shall be conclusive of compliance with this Policy and any authority delegated hereunder, notwithstanding any irregularities therein.

C. Responsibilities

C1.1 Administrative Standards are issued by the Chief Administrative Officer.

C1.2 Except as otherwise specified in this policy, all authority under this policy is delegated to the Chief Administrative Officer.

C1.3 Purchasing Division manages any reviews.

C1.4 The position responsible for the Purchasing Policy is the Manager of Purchasing.

C1.5 Reviews are performed on an annual basis, except where periodically required in advance of annual review.

C1.6 Revisions are submitted to Council through a Report to the Office of the Chief Administrative Officer.

D. Other Relevant Policies and Agreements

D.1 Other relevant Policies and Agreements include:

a) Canadian Free Trade Agreement (CFTA) (Effective July 1, 2017)

(*Replaces Agreement on Internal Trade (AIT)*)

https://www.cfta-alec.ca/canadian-free-trade-agreement/

b) The Canada-European Union Comprehensive Economic and Trade Agreement (CETA) (Effective September 21, 2017)

http://international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/text-texte/toc-tdm.aspx?lang=eng

c) New West Partnership Trade Agreement (NWPTA)

(Effective January 1, 2019)

http://www.newwestpartnershiptrade.ca/

D1.2 Other Council policies may be applicable to this Purchasing Policy including but not limited to:

a) Universal Design Policy

http://clkapps.winnipeg.ca/DMIS/councilpolicy.asp?id=universaldesign

b) City of Winnipeg Green Building Policy: New City-owned Buildings and Major Additions

http://www.winnipeg.ca/finance/findata/matmgt/documents//2013/401-2013//401-2013_Appendix_D_City_of_Winnipeg_Green_Building_Policy_New_City-Owned_Buildings_and_Major_Additions-December_2011.pdf