



Alternative Procurement Approval Request

Background

An exemption or alternative procurement method is a provision in Regulation 2014-93 under the Procurement Act whereby all or some of the normal competitive bidding processes do not need to be followed for the procurement of certain goods and services, and/or goods and services in certain circumstances. The Town may grant exemptions from the public tendering process and invite bids from select suppliers as described in Appendix A of the Town's Procurement Standard.

Approval Form and Submission Requirements

1. The Department Head or their designate must submit their request for an alternative procurement purchase in writing to Finance staff, using the form included in this document. The Department Head or their designate will:
 - a. Provide a summary of the requested service or product.
 - b. Explain why the product or service is required and how it will benefit the Town.
 - c. Explain why an alternative procurement purchase is necessary and cite the exemption from the Procurement policy that applies to the request.
 - d. Provide a summary of research conducted to support items 1 and 2 above.
 - e. Clarify if the request falls within the departmental budget.
 - f. Discuss any negative impacts that may occur if the exemption request is not approved.
2. Finance staff will discuss the request with the Department Head to ensure an alternative procurement purchase is required.
3. If the Procurement officer is satisfied an alternative procurement purchase is necessary, the request and explanation is sent to the CAO for approval.
4. The CAO and Legal Services will assess the request. If the request is approved, the CAO will notify the Finance staff, and if the request is denied, the CAO will notify the Finance staff and the Department Head explaining why the request has been denied.
5. If approval to proceed is given, negotiations with the available supplier or suppliers of the goods or services required will be conducted.
6. A contract or purchase order arising from the negotiations will be approved as per the Town's hierarchy of designated approvers defined in the Procurement policy.



Alternative Procurement Approval Request Form

Requestor Name: Geoff Crossman

Requestor Department: Engineering & Public Works

1. Provide a summary of the requested service or product:

The Department has budgeted to replace one existing single axle plow truck in 2025. The current unit has met our pre-determined life span and is starting to cost significant funds to keep in an operable condition. We would like to purchase a truck similar to the last six plow trucks purchased by the Town.

2. Explain why the product or service is required and how it will benefit the Town:

The plow trucks are used year round at the town. In the winter they are used to plow and salt roads during winter events. As well they are used on water breaks and other excavation projects through out the year. These trucks are critical to our operation throughout the course of the entire year.

3. Explain why an alternative procurement purchase is necessary and cite the exemption from the Procurement policy that applies to the request:

This exemption is necessary to allow the town to purchase this unit now for an April 2025 delivery date. With limited availability and major supply issues, we need to ensure we can have a replacement truck before the 2025/2026 winter season. Delivery of the truck would be expected in June of 2025, once all plow equipment is installed

In our tender for the plow truck in 2024 we have a clause that would allow us to purchase additional units within five years of the contract award.

“The Town of Riverview reserves the right to extend the award with the successful supplier on a yearly basis for additional quantity(s) Unit(s) subject to mutual agreement of the Town of Riverview and the successful supplier for a maximum period of 5 additional years from date of award. However, the Town reserves the right to re-tender at any time.”

We would like to exercise this clause of the agreement.

4. Provide a summary of research conducted to support items 1 and 2 above:

It has been shown over the last years that supply chain issues are a significant concern to the operation. We have had trouble receiving both small and large trucks in a timely manner. Manufacturers are behind schedule; order banks close many times within the first quarter of the year. This would push back delivery significantly.

In the case of the plow trucks this is a major problem as we need all of our trucks during winter events. If we are down a unit then this puts us behind and other units need to cover the route of the missing unit. Additionally, as the unit ages the maintenance costs continue to rise. By agreeing to purchase this unit now, we should see it arrive in mid to late summer, ready for 2025/26 winter operations. If we are to wait on this unit, we risk not having the truck available until after the 2025/26 winter season, as we have seen in recent years.

5. Clarify if the request falls within the departmental budget:



Our budget was set at \$420,000.00 for the truck and additional plow equipment (equipment is purchased in a separate tender). By using the alternative procurement method, we can order the new truck now, guaranteeing a second quarter build and take possession of the unit in summer of 2025 at \$176,500+tax. With our 4.29% tax rate this would leave us \$235,928.15 to purchase the additional plow equipment from the separate tender. Based on budget costs we will have sufficient budget remaining to cover the equipment for the truck at this time.

6. Discuss any negative impacts that may occur if the exemption request is not approved.

If we do not get approved for the exemption we will have to tender a new unit. In doing so we risk the following:

- 1) We tender for a unit that may take over a year to receive.
- 2) The Town may have to look at alternative equipment to meet the needs if unit is delayed

Approvals:

Title & Approval level	Signature	Date
Department Director		Jan 8. 2025
Chief Administrative Officer Approval is required for all exemptions regardless of purchase value.		Jan 9/2025
Town Council Approval is required for any exemptions that exceed public bid thresholds > 100,000 – Goods > 100,000 - Services > 100,000 - Construction		