
Entering into Contracts with Litigants

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Lead Role: County Council

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Administrative Responsibility: Financial Services

Policy Statement

Strathcona County will not knowingly enter into contractual relations with Litigants or an individual or company that is in Litigation with the municipality.

Definitions

"Company" means a corporation duly incorporated under the laws of the Province of Alberta or any other province or the Dominion of Canada and includes a partnership, sole proprietorship, association, society, unincorporated association, co-operative association or person.

"Contract" means an agreement between the County and an individual or Company and includes a purchase order.

"Litigant" means an individual or Company who is involved in Litigation with the County and includes an individual or company who is seriously contemplating suing the County or whom the County is seriously contemplating suing and also includes any company or individual which at the sole, unfettered discretion of the County is, or is deemed to be, in any other way, connected to or involved with a Litigant.

"Litigation" means a lawsuit.

"Managers" means the Managers of Facility Services, Financial Services and Legislative & Legal Services.

Guidelines

This policy shall apply:

- (i) when a person or Company is in Litigation, or is seriously contemplating Litigation, with the County;
- (ii) when the County is in Litigation, or is seriously contemplating Litigation, with a person or company;
- (iii) whether the person or Company is attempting to contract with the municipality as a prime contractor or as a subcontractor.

Executive Team has the authority to authorize the entering into of a contract with a Litigant in those instances where a Department Manager can demonstrate:

- (i) that the matter the County is being sued on (or is itself suing on) is unrelated to the business that the individual or company is attempting to contract with the County on. (eg. a flooding claim is brought against the County as a result of a sewer backup and that same individual is seeking to enter into a gravel hauling contract with the County); or
- (ii) that there is a valid business reason why the contract should be entered into with the Litigant notwithstanding existing or imminent Litigation.

Roles & Responsibilities

The Managers shall be responsible to develop and make available to departments, a listing of persons or Companies who are currently in Litigation with the County or who are seriously considering Litigation against the County or who the County is seriously considering instituting legal proceedings against.

Department Managers:

- (i) are responsible to provide to the Managers the names of Litigants together with a brief description of the issue or issues giving rise to the Litigation.
- (ii) shall be responsible to review the listing of Litigants in conjunction with the review of tenders, requests for proposals, offers or bids in order to ascertain whether any such person or Company is attempting to contract with the municipality as either a prime contractor or as a subcontractor.
- (iii) shall not, without the prior authorization from Executive Team, enter into any Contract arrangement nor permit any prime contractor to enter into a sub-Contract arrangement with an individual or company who is in Litigation with the County or with a person or Company by whom or against whom Litigation is seriously being considered.