



**Purpose:**

The intent of this policy is to provide direction and set requirements for all departments of the Squamish-Lillooet Regional District (SLRD) in the sustainable acquisition of goods and services while ensuring all procurement processes are undertaken in a fair, transparent and consistent manner.

**1. Definitions**

1.1 In this Purchasing Policy:

- (a) **“Acquire”** or **“Acquisition”** means to obtain by any method, accept, receive, purchase, be vested with, lease, take possession, control occupation of, and agree to do any of those things, but excludes expropriation, except by agreement under section 3 of the *Expropriation Act*.
- (b) **“Best Value”** means an evaluation of goods and service, and works based on considerations of Total Cost, performance, resale value, warranty, economic, environmental and social sustainability, reduced carbon dependency, and reduced waste.
- (c) **“Bid”** includes a proposal submitted in response to a Request for Proposal and a written formal offer, which may or may not be sealed, submitted in a particular form in response to an invitation to supply goods/services/construction, where the specifications and conditions of the goods or services are known and disclosed in the request.
- (d) **“Board”** means the Board of the Regional District.
- (e) **“Bylaw”** means the Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No.1788-2022, as amended or replaced from time to time.
- (f) **“CAO”** means the person appointed as Chief Administrative Officer pursuant to the Officer Designation Bylaw.
- (g) **“Chair”** means the Chair of the Board.
- (h) **“Construction”** means the construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.

Approving Authority: Board	Page 1 of 11
Policy Name: Purchasing Policy	Policy No: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

- (i) **“Contract”** means a contract for the supply (by way of sale, conditional sale, lease or otherwise) of goods, services or construction, including a purchase order or other document evidencing the obligation, and any Contract Amendment.
- (j) **“Contract Amendment”** means any change to a term, condition or other provision of a Contract, including without limitation a change order in relation to a Contract for Construction.
- (k) **“Department Head”** means an officer or employee position designated as such pursuant to the Bylaw.
- (l) **“Designated Employee”** means an employee position designated as such pursuant to the Bylaw.
- (m) **“Director of Finance”** means the person appointed as Director of Finance pursuant to the Officer Designation Bylaw.
- (n) **“Dispose”** or **“Disposition”** means to transfer by any method including assign, give, sell, grant, charge, convey, lease, divest, dedicate, release, exchange, alienate or agree to do any of those things.
- (o) **“Formal Competitive Process”** means a public procurement process that is competitive, open, transparent, non-discriminatory and compliant with the requirements of the Canadian Free Trade Agreement (CFTA) and the New West Partnership Trade Agreement (NWPTA), and includes an ITQ, ITT, RFP, RFSO and RFQ.
- (p) **“Formal Written Agreement”** means a written agreement between the Regional District and a supplier of goods, services or construction that requires execution by authorized signatories of each party and sets out the terms and conditions of the procurement.
- (q) **“Invitation to Quote”** or **“ITQ”** means a process used to solicit bids or quotes from vendors for the provision of clearly specified goods or services. The bids received in response to an ITQ are evaluated primarily on Total Cost.
- (r) **“Invitation to Tender”** or **“ITT”** means a process used to solicit bids from vendors for the provision of construction services where the specifications, terms, conditions and other details are set out in the invitation and the responsive bids are evaluated primarily on Total Cost, without further negotiations.
- (s) **“Notice of Intent”** or **“NOI”** means a publicly advertised method to inform vendors a contract is to be directly awarded on the basis that there is only one suitable vendor to provide the good or service.

Approving Authority: Board	Page 2 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

- (t) **“Officer Designation Bylaw”** means Squamish-Lillooet Regional District Officer Designation and Delegation of Authority Bylaw No. 1731, 2021, as amended or replaced from time to time.
- (u) **“Original Value”** means the contract price or fees for services as at the effective date of the Contract, excluding taxes.
- (v) **“Procurement”** means the acquisition by any means, including by purchase, rental, lease or conditional sale, of goods, services or construction.
- (w) **“Purchasing Authority”** means the level of authority delegated to an officer or employee of the Regional District pursuant to the Bylaw to purchase goods or services on behalf of the Regional District (see Purchasing Authority Form).
- (x) **“Regional District”** means the Squamish-Lillooet Regional District.
- (y) **“Request for Expression of Interest”** or **“RFEOI”** means a process by which a buyer solicits information from suppliers on the availability of products or services needed to achieve a particular outcome, and which may result in a Formal Competitive Process. The RFEOI is used to survey the market for firms interested in responding to a Formal Competitive Process. RFEOI are not open for bidding.
- (z) **“Request for Proposal”** or **“RFP”** means an invitation for providers of a product or service to compete for the right to supply that product or service where the requirement for goods or services cannot be definitively defined or specified or alternative solutions or offers are being solicited. Proposals are evaluated on predetermined criteria where the selection of a supplier may not be made solely on the basis of the lowest Total Cost.
- (aa) **“Request for Qualifications”** or **“RFQ”** means a non-binding request to potential suppliers who wish to be considered for future RFP’s or other competitive purchasing processes to pre-qualify based on various factors including but not limited to expertise, experience, availability, prior performance, in order to avoid either buyer or supplier devoting resources to preparing and evaluating future RFP’s or competitive processes.
- (bb) **“Request for Standing Order”** or **“RFSO”** means an invitation for providers of a product or service to bid on the right to supply that product or service by way of a standing order. A standing order is an order from a supplier to provide well-defined, readily available goods or services, as and when requested, at prearranged prices or on a prearranged pricing basis, which can be established at the outset, under set terms and conditions, and for a specific period of time.
- (cc) **“Total Cost”** means the sum of all costs attributable to products, construction, and services associated with performing the intended function over the entire term of use

Approving Authority: Board	Page 3 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

and includes factors such as acquisition cost, installation cost, disposal cost, operational cost, maintenance cost, quality of performance and environmental impact.

## 2. Objectives

2.1 The objectives of this Purchasing Policy are to:

- (a) Establish purchasing thresholds and procurement methods associated with such thresholds.
- (b) Provide best value to the Regional District, by purchasing the best evaluated product or service for the money spent.
- (c) Ensure that as many vendors/suppliers as practicable are given the opportunity to supply goods and services to the Regional District using processes that are competitive, transparent and non-discriminatory.
- (d) Undertake purchasing in the most cost-effective manner while adhering to current trade practices.
- (e) Incorporate, where possible and to the extent practical, the Regional District's commitment to economic, environmental and social responsibility by supporting sustainable purchasing objectives (as set out in section 15) as evaluation components in the procurement process.
- (f) Comply with policies and bylaws of the Regional District as well as applicable provincial and federal legislation.
- (g) Establish standards and procedures for providing financial control over the expenditure of funds.

## 3. Scope of Policy

3.1 The Purchasing Policy applies to all purchases made by the Regional District.

## 4. Policy

4.1 All purchases by the Regional District must comply with the Bylaw.

4.2 Individuals performing procurement activities on behalf of the SLRD must have authorization to do so and expenditures must be provided for in the Board approved financial

Approving Authority: Board	Page 4 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

plan. Through budget discussions and the adoption of the five-year financial plan bylaw, the Board sets operating service levels and capital project priorities together with related funding sources.

- 4.3 An officer or employee of the Regional District must not enter into an agreement of a capital nature under which the Regional District would incur a liability for a term of more than 5 years, including all rights of renewal and extension, without Board approval and any required approval of the electorate.
- 4.4 With the approval of the CAO or the Director of Finance, the Regional District may make electronic transfer payments to other organizations or governments.
- 4.5 Purchases of office capital equipment must be made in accordance with the Regional District’s Office Capital Equipment Policy No. 2.11 as amended or replaced from time to time.
- 4.6 Purchases of passenger vehicles must be made in accordance with the Regional District’s Passenger Vehicle Replacement Policy No. 2.12 as amended or replaced from time to time.
- 4.7 Training/conference costs, travel costs related thereto, and professional dues for employees must be approved in accordance with the Regional District Employee Handbook.
- 4.8 Approval must be sought from the Board, as soon as practical, for the purchase of goods and services that exceed the current year financial plan and authorization requested for a financial plan amendment (if applicable).
- 4.9 Any purchase contrary to the Bylaw or this Purchasing Policy by an employee may result in disciplinary action up to and including dismissal.

**5. Procurement Methods and Procedures**

- 5.1 Procurement methods are set out in Schedule “A” of this Policy and Procurement Methods Procedures are set out in Schedule “B” of this Policy.

**6. Purchase Orders**

- 6.1 The purchase order system consists of three parts:
  - (a) a copy of the purchase order is forwarded to the vendor/supplier;
  - (b) a copy of the purchase order is submitted to the Regional District’s Finance Department;
  - and

Approving Authority: Board	Page 5 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

- (c) a copy of the purchase order remains with the department responsible.
- 6.2 Unless otherwise indicated in this Purchasing Policy, the method by which the Regional District procures goods and services is by purchase order.
- 6.3 Pursuant to the delegated authority in the Bylaw, Designated Employees, Department Heads and the CAO may issue purchase orders.
- 6.4 It is the responsibility of the Designated Employees, Department Heads and the CAO to:
- (a) ensure that the goods and services received are as requested and are priced as quoted; and
  - (b) submit, in a timely manner, a copy of the purchase order and associated approved invoice to the Regional District's Finance Department.
- 6.5 Purchase orders are not required in any of the following situations but the applicable Department Head is responsible for reviewing and approving invoices prior to payment being made:
- (a) non-competitive expenditures, such as the Receiver General, Municipal Pension Plan, professional membership fees, Canada Post, utilities, etc.;
  - (b) recurring payments authorized under contract or agreement approved by the Department Head, CAO, or the Board;
  - (c) items under \$400.00 (excluding taxes); and
  - (d) purchases made on an emergency basis by a Regional District Fire Department or the SLRD Emergency Operation Centre (EOC) when there is an urgent response requirement.

**7. Petty Cash Float**

- 7.1 The purpose of a petty cash float is to facilitate the purchase of items required for Regional District business up to a maximum of \$50.00 (excluding taxes).
- 7.2 The Director of Finance may approve the establishment of a petty cash float for a specific cost centre (or group of cost centres). If so approved, the Director of Finance determines what the amount of the petty cash float will be. The petty cash float is kept in a locked cash box in a safe place with access thereto by the appropriate Department Head (or by person(s) so designated by the Department Head to have access thereto).

Approving Authority: Board	Page 6 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

- 7.3 In respect of each purchase made from a petty cash float, the Department Head (or his or her designate) will provide a coded receipt to the Regional District's Finance Department.
- 7.4 The petty cash float may be replenished after the Department Head (or designate) provides a reconciliation (of the remaining cash on hand and receipts to the original amount of the petty cash float) to the Regional District's Finance Department.

**8. Formal Written Agreements**

- 8.1 Pursuant to the delegated authority in the Bylaw:
  - (a) the CAO and the Department Heads may approve and sign formal written agreements on behalf of the Regional District within their respective purchasing authorities;
  - (b) Designated Employees must obtain approval for formal written agreements from their Department Head or the CAO; and
  - (c) if the value of a formal written agreement exceeds the purchasing threshold of the CAO, the Board may approve and the Chair may sign such an agreement.
- 8.2 The CAO, the Department Heads, and the Designated Employees will forward copies of formal written agreements to the Regional District Finance Department, which may use the formal written agreements (rather than the purchase order system) as authorization for payment.

**9. Standing Orders**

- 9.1 Pursuant to the delegated authority in the Bylaw, standing orders may be established in order to guarantee a continuous supply of various goods and services which are required on a frequently recurring basis. Standing orders commit the vendor/supplier to provide goods and services at a specific price for a specific period of time. (See Schedule "B" section 7 to this Policy.)

**10. Change Orders**

- 10.1 Change orders are not desired but may become necessary as projects proceed. Approvals are required in accordance with this Policy, including the impact to the total project cost and budget.

Approving Authority: Board	Page 7 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

- 10.2 For change orders less than 20% of the project and within overall project budget, first right of refusal may be offered to the onsite contractor. Approval(s) must be obtained in accordance with this policy.
- 10.3 For change orders over 20% of the project and within the overall project budget, a second quote should be obtained for comparative analysis, if practical. Approval is to be obtained in accordance with procurement requirements of this Policy. In the event that a second quote is not practical, the CAO will be notified of the change. The approval decision may be deferred to the Board at the discretion of the CAO.
- 10.3 Change orders over 20% of the project and resulting in cumulatively exceeding the overall budget require Board approval before proceeding. A Budget Amendment is also required and will be brought forward in accordance with the Director of Finance. Every effort should be made to obtain three quotes, inclusive of the onsite contractor.

**11. Credit Cards**

- 11.1 The Regional District may issue credit cards to the CAO, the Department Heads, and Designated Employees for non-invoiced expenses, including but not limited to travel and associated expenses and incidental expenses.
- 11.2 The availability of credit cards is not intended to replace the purchase order system, and credit cards should not be used if the vendor/supplier is able to issue an invoice.

**12. Gas Cards**

- 12.1 The Regional District may issue gas cards for the Regional District fleet vehicles. It is the responsibility of employees when using fleet vehicles to:
  - (a) ensure that fleet vehicles are returned with a full gas tank after each use; and
  - (b) report in the vehicle log books information required by the Director of Finance, including: the odometer reading at the beginning and end of the trip and the location travelled to.

**13. Cheque Signing/Payment Approval**

- 13.1 Subject to section 12.2 of this Policy, cheques issued by the Regional District are required to be signed by two of the CAO, the Deputy CAO, and the Director of Finance (the “Authorized Signatories”).

Approving Authority: Board	Page 8 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022



13.2 In the event that only one of the Authorized Signatories is available for cheque signing, then the following cheque signing protocol applies:

(a) the available Authorized Signatory signs the cheques; and

(b) one of the following Board Directors signs the cheques:

- the Village of Pemberton Director; or
- the Electoral Area C Director.

13.3 Payments made by electronic funds transfer require the approval of the Director of Finance.

13.4 Travel expenditures submitted by employees require the approval of the applicable Department Head.

13.5 Travel expenditures submitted by the Department Heads require the approval of the CAO.

13.6 Travel expenditures submitted by the CAO require the approval of the Chair.

#### **14. Conflicts of Interest (Perceived or Actual)**

14.1 In respect of a proposed purchase by the Regional District, an employee must not give any preference to a vendor, supplier, service provider, or contractor/consultant whereby there would be any return or favour provided to the employee (or any expectation thereof).

14.2 An employee must not be the decision-maker in respect of a proposed purchase by the Regional District if a member of the employee's immediate family is:

- (a) the sole proprietor of the prospective vendor, supplier, service provider, or contractor; or
- (b) an owner, shareholder, principal or partner in the prospective vendor, supplier, service provider, or contractor,

and in this situation, the decision-maker will be the supervisor of the employee unless the employee is the CAO in which case the decision-maker will be the Board.

14.3 An employee must disclose to his or her supervisor (and in the case of the CAO, to the Board) anything that does affect or may be deemed by others to affect impartiality, such as a business connection, affiliation, and interest in respect of a proposed Regional District purchase for which such employee is supposed to be the decision-maker, and the supervisor (and in the case of the CAO, the Board) may elect to be the decision-maker in respect of such purchase.

Approving Authority: Board	Page 9 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

**15. Sustainability within the Procurement Process**

- 15.1 This Purchasing Policy is intended to support the ongoing commitment to the Regional District’s Integrated Sustainability Plan.
- 15.2 Sustainable purchasing is the process by which organizations buying goods and services take into account the economic value of the goods or services while also considering the environmental, social and ethical impacts of the goods or services. The Regional District recognizes that, through its engagement with the public market, it has the power to bring about environmental and social improvements both locally and globally while maximizing economic benefits. Where practical, the Regional District may specify environmentally-preferred products and services in all procurement actions related to goods and services. Sustainable purchasing may be implemented through the development of tools and procedures on a commodity-specific basis.
- 15.3 The Regional District may give preference to the purchase of goods, services and construction that minimize adverse environmental impacts and greenhouse gas emissions and that promote recycling, re-use and reduction of waste as part of its procurement decision-making process.
- 15.4 Purchases from contractors/vendors deemed to be in scope under the Local Government Climate Action Program must include the requirement for the contractors/vendors to document and report on greenhouse gas emissions associated.
- 15.5 Life-cycle costing is a determination of the direct financial costs and benefits to the Regional District of goods and services throughout their acquisition, use, and end-of-life phases, including factors such as: transportation costs; staff time/training; operating; energy consumption; maintenance and repairs; software licensing; recycling; disposal; and other related costs. The Regional District may consider life-cycle costing as part of its procurement decision-making process.
- 15.6 In order to advance its goals of becoming a more sustainable region, the Regional District may consider the following objectives during its procurement process:
  - (a) Live within the limits imposed by natural systems.
  - (b) Minimize dependence on limited, non-renewable resources, including but not limited to fossil fuels.
  - (c) Encourage zero-waste, re-use and recycling.
  - (d) Minimize disturbance of ecological and physical processes.
  - (e) Manage land, water and air resources wisely and efficiently.

Approving Authority: Board	Page 10 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

- (f) Recognize and reduce human causes leading to climate change while adapting, as necessary, to unavoidable negative impacts of climate change.
- (g) Understand the interconnections among economy, society, and the environment and apply these considerations systematically in the decision-making process.
- (h) Work to meet basic human needs, distributing resources and opportunities fairly with an awareness of the needs of future generations.
- (i) Consider life-cycle costing, when feasible.

Approving Authority: Board	Page 11 of 11
Policy Name: Purchasing Policy	Policy No.: 34-2022
Date of Approval: September 29, 2022	Dates of Amendment:
Policies Superseded: 2.3 and 2.9	Related Enactments: Squamish-Lillooet Regional District Delegation of Purchasing and Related Authority Bylaw No. 1788-2022

## Schedule A to Purchasing Policy No. 34-2022

### Procurement Methods

1. It is the intention of the Regional District to:
  - (a) receive the best overall value in the most cost-effective, timely and administratively efficient manner; and
  - (b) engage in a procurement process that is consistent, transparent, and fair and, to the extent practical, supports the ongoing commitment to the Regional District's Integrated Sustainability Plan.
  
2. The purchasing thresholds, procurement methods and purchasing authority are as follows:

Purchasing Threshold (excluding GST)*	Procurement Method (and reference to procedures in Schedule B)	Purchasing Authority
<b>Goods and Services</b>		
Up to \$5,000	1. Single Source	Designated Employees, Department Heads, CAO
\$5,001 to \$10,000	2. Informal Quotation Process	Designated Employees, Department Heads, CAO
\$10,001 to \$25,000	3. Written Quotations	Designated Employees, Department Heads, CAO
\$25,001 to \$75,000	3. Written Quotations	Department Heads, CAO
\$75,001 to \$500,000	4. 5. or 7. Formal Competitive Process (RFP, ITQ, RFSO)	CAO
\$500,001 and up	4. 5. or 7. Formal Competitive Process (RFP, ITQ, RFSO)	Board
<b>Construction</b>		
Up to \$100,000	5. or 6. Written quotation process or Formal Competitive Process (RFP, ITT)	Department Heads, CAO
\$100,001 to \$200,000	5. or 6. Written quotation process or Formal Competitive Process (RFP, ITT)	CAO
\$200,001 to \$500,000	5. or 6. Formal Competitive Process (RFP, ITT)	CAO
\$500,001 and up	5. or 6. Formal Competitive Process (RFP, ITT)	Board
*The Total Cost of the goods and services over the life of the contract (i.e. including renewal rights) will be used to determine the purchasing threshold.		

3. Notwithstanding the above table, the Regional District may elect to use a procurement method from a higher procurement threshold (i.e. obtain 3 written quotes for a \$4,000 purchase or a Formal Competitive Process for a \$15,000 purchase, etc.)
4. See Schedule B Procurement Method Procedures which sets out procedures for each procurement method.

## Schedule B to Purchasing Policy No. 34-2022

### Procurement Methods and Procedures

#### 1. Single Source

##### Application

1.1 This method will be used for goods or services having a value of \$5,000 or less and required for a one-time (non-repetitive) procurement.

##### Process

1.2 Informal quotes (i.e. telephone, email, fax, letter) from known suppliers should be obtained where possible.

1.3 Designated Employees are responsible for ensuring that low value procurements are made at fair market value and all information relating to the procurement must be documented and maintained on file.

#### 2. Informal Quotation Process

##### Application

2.1 This method will be used for goods or services having a value not exceeding \$10,000 and required for a one-time (non-repetitive) procurement.

##### Process

2.2 Three informal quotes (i.e. via telephone, email, fax, letter) will be obtained from known suppliers for pricing on specific goods or services (without a solicitation for bid submissions) that is not binding on either party.

2.3 Designated Employees are responsible for ensuring that the purchase or acquisition is made at fair market value and all information relating to the procurement must be documented and maintained on file.

2.4 Designated Employees are responsible for selecting the appropriate procurement method for the transaction (See Schedule A).

#### 3. Written Quotation Process

##### Application

3.1 This method will be used as follows:

3.1.1 for goods or services valued between \$10,001 and \$75,000,

3.1.2 for construction valued between \$10,001 and \$200,000,

3.1.3 the transaction is for a one-time (non-repetitive) procurement of goods, services or construction; and

3.1.4 the goods, services or construction required can be fully defined.

3.2 The Department Head or Designated Employee may determine that it is appropriate to use a formal competitive process instead of the written quotation process even though the value of the transaction is not exceeding \$75,000 (for goods or services) or \$200,000 (for construction). In such a case, the Department Head or Designated Employee will, in accordance with the provisions of this Schedule, use an Invitation to Quote (goods and services only), Invitation to Tender (construction only) or a Request for Proposals (goods, services or construction).

### Process

3.3 Designated Employees must only initiate transactions up to the \$25,000 limit. Transactions exceeding the limit of Designated Employee's purchasing authority but not exceeding \$100,000 may only be initiated after receiving approval of the Department Head or the CAO.

3.4 Where a Department Head or the CAO approves the initiation of a written quotation process, the applicable Department Head or CAO is responsible for the execution of the transaction, which includes making key decisions, approving the award and executing all required documentation.

3.5 Department Heads must only initiate transactions up to the \$100,000 limit. Transactions exceeding the upper limit of Department Heads but not exceeding \$200,000 may only be initiated after receiving approval of the CAO.

3.6 Where the CAO approves initiation of a written quotation process, the CAO is responsible for the execution of the transaction, which includes making key decisions, approving the award and executing all required documentation.

3.7 Written quotes will be obtained as follows:

3.7.1 three (3) written quotes obtained from three (3) separate potential suppliers;

3.7.2 all suppliers will receive the same written quotation information; and

3.7.3 all quotation documentation will be retained by the Designated Employee, Department Head or CAO in Regional District files held in accordance with Regional District records retention requirements.

3.8 The Designated Employee, Department Head and CAO are responsible for selecting the supplier on the basis of the best value to the Regional District.

## **4. Invitation to Quote (ITQ)**

### Application

4.1 This method should be used where:

4.1.1 the procurement is for goods or services and the value of the transaction exceeds \$75,000; and

4.1.2 the requirement can be fully defined such that the primary competing factor is Total Cost (i.e. the solution(s), specification(s), performance standard(s) and timeframe(s) are known).

4.2 This method may be used where the value of the transaction is not exceeding \$75,000 and the other criteria set out in section 4.1 are met.

4.3 Department Heads or the CAO may issue a Request for Proposals instead of an Invitation to Quote where, in accordance with section 6 of this Schedule B, Department Heads or the CAO determine that a Request for Proposals would be more appropriate in the circumstances.

4.4 For clarity, this method must not be used for construction procurement transactions (the Invitation to Tender process is used for construction transactions – see section 5 of this Schedule B.

### Process

4.5 Invitations to Quote must only be initiated as follows:

4.5.1 for acquisitions under \$100,000, by Department Heads or the CAO;

4.5.2 for acquisitions estimated to be over \$100,000 but not exceeding \$500,000, on written approval from the CAO;

4.5.3 for acquisitions estimated to be over \$500,000 on approval by the Board by way of a Board resolution authorizing the Invitation to Quote.

4.6 Invitations to Quote will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.5 to 5.9 of this Schedule B.

4.7 On receipt of quotations from respondents, the competitive bid will be reviewed in accordance with the terms of the Invitation to Quote.

4.8 The Department Head will complete a summary of the procurement and recommend an award of contract to the supplier that meets all the mandatory requirements and provides the best value as stipulated by the ITQ.

4.9 Following review by the applicable Department Head a summary of the procurement and the recommendation of award will be forwarded as follows for final approval of the award:

4.9.1 for awards up to \$100,000, the Department Head approves and retains the summary on file;

4.9.2 for awards above \$100,000 but below \$500,000, to the CAO;

4.9.3 for awards over \$500,000 to the Board by way of a Board resolution.

4.10 Written notification regarding a procurement award and all supporting documentation is to be kept in the procurement file.

## **5. Invitation to Tender (ITT)**

### Application

5.1 An Invitation to Tender must be used where:

5.1.1 the procurement is for construction and the value of the transaction is \$200,000 or greater; and

5.1.2 the specifications are adequately defined to permit the evaluation of tenders against a set of clearly stated criteria.

5.2 An Invitation to Tender may be used where the procurement is for construction and the value of the transaction does not exceed \$200,000.

5.3 Department Heads or the CAO may issue a Request for Proposals instead of an Invitation to Tender where, in accordance with section 6 of this Schedule B, Department Heads or the CAO determine that a Request for Proposals would be more appropriate in the circumstances.

5.4 For clarity, this method must not be used for goods and services procurement (the Invitation to Quote process is used for goods and services – see section 4 of this Schedule B).

### Process

5.5 The upper limit of Designated Employee authority is \$25,000. Invitations to Tender are initiated as follows:

5.5.1 for acquisitions not exceeding \$100,000, by the Department Head or the CAO;

5.5.2 for acquisitions estimated to be over \$100,000 but not exceeding \$500,000, on written approval from the CAO;

5.5.3 for acquisitions estimated to be over \$500,000 on approval of the Board by way of a Board resolution authorizing the tender call.

5.6 The department responsible for issuing the Invitation to Tender will review and determine the specifications and terms and conditions relevant to the acquisition and provide this information to the CAO before notice of the Invitation to Tender is issued for all purchases over \$100,000.

5.7 Where the CAO approves the initiation of an Invitation to Tender, the CAO is responsible for the execution of the transaction, which includes making key decisions, approving the award and executing all required documentation.

5.8 All Invitations to Tender will be issued using standard Regional District contracts and tender documentation, unless otherwise approved by the Director of Legislative and Corporate Services.

5.9 Notice of an Invitation to Tender will be given by electronic posting on BC Bid and the Regional District website, complemented, if appropriate, by other means to make the public and suppliers aware of the invitation. If the Invitation to Tender is issued out of a competitive pre-qualification



process that was posted on BC Bid, notice will only be given to successful respondents in a manner consistent with the pre-qualification documents.

5.10 The department responsible will evaluate the bids in accordance with the terms of the tender documentation and will recommend that the contract be awarded to the bidder offering best value.

5.11 Awards will be approved as follows:

5.11.1 for tenders not exceeding \$100,000, by the Department Head;

5.11.2 for tenders not exceeding \$500,000, by the CAO;

5.11.3 for tenders above \$500,000, by the Board by way of Board resolution.

5.12 Written notification regarding a procurement award and all supporting documentation is to be kept in the procurement file.

## **6. Request for Proposals**

### Application

6.1 A Request for Proposals should be used for goods, services or construction where

6.1.1 suppliers are invited to propose a solution to a problem, requirement or objective;

6.1.2 the selection of the supplier is based on the effectiveness of a proposal or other criteria, rather than primarily on price alone;

6.1.3 it is expected that negotiations with one or more bidders may be required with respect to any aspect of the requirement; or

6.1.4 the requirement is best described in a general performance specification.

6.2 Where the requirement is not straightforward or it is deemed that an excessive amount of work would be required to evaluate proposals, either due to complexity, length, number of proposals or any combination of factors, a multi-step process may be used that would include a pre-qualification stage to ensure the workload is a manageable.

6.3 At the discretion of the Department Head, this method may be used where the value of the transaction is under \$75,000 and the other criteria set out in section 6.1 are met.

### Process

6.4 Department Heads may initiate transactions not exceeding the \$100,000 limit. When the transaction exceeds \$100,000, approval of the CAO is required.

6.5 Requests for Proposals will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.5 to 5.9 of this Schedule B.

6.6 A selection committee composed of staff from the responsible department will review all proposals against the established criteria and reach consensus on the final rating results and ensure that the final rating results with supporting documents are kept in the procurement file.

6.7 The responsible department will prepare a summary of the procurement and recommend an award of contract to the supplier that meets all the mandatory requirements and provides the best value as stipulated within the Request for Proposal.

6.8 Following review by the applicable Department Head, a summary of the procurement and the recommendation of award will be forwarded as follows for final approval of award,

6.8.1 for awards within the signing authority limit of Department Heads, to the responsible Department Head

6.8.2 for awards not exceeding \$500,000, to the CAO;

6.8.3 for awards above \$500,000 to the Board by way of Board resolution.

6.9 Written notification regarding a procurement award and all supporting documentation is to be kept in the procurement file.

## **7. Request for Standing Order**

### Application

7.1 A Request for Standing Order will be used where:

7.1.1 the same goods or services are repetitively ordered and the actual demand is not known in advance; or

7.1.2 a need is anticipated for a range of goods and services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.

### Process

7.2 Where the total value of goods or services required is estimated to be not exceeding \$25,000 in a fiscal year, Designated Employees will determine, in consultation with the appropriate Department Head, whether it is appropriate to issue a Request for Standing Order in accordance with the above criteria.

7.3 Where the total value of goods or services required is estimated to be not exceeding \$25,000 in a fiscal year, Designated Employees, with approval of the applicable Department Head or CAO, may solicit written quotes from at least three (3) known suppliers who are qualified to supply the goods or services.

7.4 Where the total value of goods or services is estimated to be above \$75,000 in a fiscal year, a Request for Standing Order will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.5 to 5.11 of this Schedule B.

7.5 In a Request for Standing Order, the expected quantity of the specified goods or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage.

7.6 More than one supplier may be selected where it is in the best interests of the Regional District and the bid solicitation allows for more than one.

7.7 Where competition results in a large number of offers from vendors, Designated Employees are authorized to negotiate lower unit rates with the highest ranked vendors in return for a reduction in the number of firms authorized to provide the goods or services or the offer of a firm contractual commitment by the Regional District.

7.8 The bid documentation and accompanying contractual documentation may provide that the time period to provide goods or services may be extended beyond the end of the fiscal year at the mutual consent of the Regional District and the supplier.

7.9 A contract resulting from a request for standing offer will be subject to the normal contract award purchasing limits for the total anticipated value of the standing offer over the term of the contract.

## **8. Non-Competitive Purchase Process**

### Application

8.1 The requirement for competitive purchasing may be waived by a Department Head or the CAO and replaced with negotiations by staff under the following circumstances:

8.1.1 where competition is precluded due to the application of any Act or legislation or other legal consideration (such as patent rights/copyrights);

8.1.2 where it can be demonstrated that only one supplier is able to meet the requirements of a procurement and a Notice of Intent has been issued;

8.1.3 where the nature of the requirement is such that it would not be in the public interest to solicit competitive bids as in the case of security of confidential matters;

8.1.4 where the possibility of a follow-on contract was identified in the original bid solicitation;

8.1.5 where the requirement is for a utility for which there exists a monopoly;

8.1.6 where an unforeseeable situation of an emergency exists and the goods, services or construction are urgently required and delay would be injurious to the public interest;

8.1.7 where the procurement is from a public body or non-profit organization such as those anticipated in a service establishment bylaw;

8.1.8 where the value of a transaction for goods or services is less than \$25,000 and the applicable Department Head or CAO has determined that a competitive process would not be practical and has given written approval for the acquisition;

8.1.9 where the value of a transaction for construction is less than \$100,000 and the CAO has determined that a competitive process would not be practical and has given written approval for the acquisition;

8.2 Approval of a non-competitive procurement must be within the purchasing authority of the person approving the procurement.

8.3 Staff must seek Board approval for a non-competitive procurement in excess of \$500,000 but should not do so without first seeking appropriate advice on whether the transaction is compliant with applicable trade agreements and procurement law principles.

#### Process

8.4 When staff wish to use a non-competitive purchase process staff will provide the CAO or applicable Department Head with the rationale that warrants a non-competitive selection for approval and will obtain the CAO's or applicable Department Head's written approval before proceeding. If the amount of the proposed non-competitive purchase is over \$500,000, the Board must approve the transaction.

8.5 The supplier in whom the Regional District has the greatest confidence to fulfill the requirement and provides for fair market value will be selected. Awards will be approved as follows:

8.5.1 for awards not exceeding \$500,000, by the CAO;

8.5.2 for awards over \$500,000, by the Board.

### **9. Request for Qualifications**

#### Application

9.1 A Request for Qualifications may be conducted in any procurement transaction for goods, services or construction to determine qualified suppliers that may bid on a subsequent procurement process undertaken by the Regional District. A Request for Qualifications may be used in the following circumstances:

9.1.1 the work requires a stipulated performance and experience level or requires elements of confidentiality or security; or

9.1.2 the value and complexity of the work is such that the contract administration costs (work inspection, follow-up, delay) would result in substantial additional costs or loss to the Regional District if the work is not performed as required; or

9.1.3 to build supplier interest to determine if there are enough suppliers to justify a full Request for Proposal process or other formal competitive process.

#### Process

9.2 Employees with sufficient purchasing authority must only initiate transactions under the \$25,000 limit.

9.3 For transactions that are estimated to be above \$25,000, a Request for Qualifications will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.5 to 5.11 of this Schedule B.

9.4 A selection committee composed of staff from the responsible department will review all submissions against the criteria established in the Request for Qualifications and will reach consensus on the final rating results and ensure that the final rating results with supporting documents are kept on the procurement file.

9.5 The final rating results will be forwarded for approval in the same manner as a Request for Proposals award approval and will follow the process set out in section 6.8 of this Schedule B.

## **10. Other**

10.1 There may be other procurement methods or tools not described in this Schedule that may be appropriate for any given transaction (including, for example, a Request for Expression of Information or Request for Information).

10.2 Designated Employees, Department Heads and the CAO may use a method not listed in this Appendix for transactions within their signing authority limit with the approval of the applicable Department Head or CAO and the Director of Legislative and Corporate Services.

10.3 Staff may bring forward for approval methods not listed in this Schedule or transactions outside of their signing authority as follows:

10.3.1 for transactions with an estimated value not exceeding \$500,000, to the CAO;

10.3.2 for transactions with an estimated value of more than \$500,000 to the Board.

10.4 When staff wish to use a method not listed in this Appendix, staff will provide the rationale that warrants the process proposed and a description of the process when seeking approval in accordance with 10.3 above.

## **11. Insurance and WorkSafeBC Requirements**

11.1 The Regional District requires service providers to provide appropriate insurance coverage (including but not limited to: commercial liability insurance, tenant's insurance, professional liability insurance, automobile liability insurance, property, all risk, professional liability, etc.; see Municipal Insurance Association minimum requirements and deductibles here: [recommended-minimum-insurance-requirements-for-contracts-\(2019\).pdf \(miabc.org\)](#)) as well as WorkSafeBC coverage.

11.2 Service providers are responsible for providing proof of insurance coverage and WorkSafeBC coverage (and proof of continued coverage).

## **12. New West Partnership Trade Agreement (“NWPTA”)**

12.1 Where the estimated value of any goods or services or construction is in excess of the thresholds (as may be adjusted or amended from time-to-time) set out in the New West Partnership Trade Agreement, the associated purchases will be conducted in accordance with the terms and conditions of the NWPTA.

12.2 Currently, the applicable thresholds are as follows:

- (a) \$75,000 or greater for goods;
- (b) \$75,000 or greater for services;
- (c) \$200,000 or greater for construction.

**13. Other Trade Agreements:**

13.1 The Canadian Free Trade Agreement (CFTA) and Canada/European Union Comprehensive Economic and Trade Agreement (CETA) currently apply to municipalities in BC. The NWPTA thresholds for open tendering are lower and therefore continue to apply for BC municipalities. Regional District procurement must comply with all applicable trade agreements, as amended from time to time.