

Village of Port Clements

Purchasing Policy

Policy No. 03, 2022

Adopted: January 17, 2022
Reviewed: January 17, 2022
Next Review: January 2024

Replaces all prior Purchasing Policies

1.0 OBJECTIVE:

To set guidelines for the procurement of goods and services for the Village of Port Clements (Village) to promote effective, economic, efficient, and responsible acquisition of goods and service. The Village has established this policy in the pursuit of this commitment, and it will enable staff to maintain a customer-service focus while meeting the needs and protecting the interests of the Village and the public.

2.0 SCOPE:

This policy governs the acquisition of goods and services, by purchase or by lease, using Village funds from all sources, including operating, capital, or other funds. Interpretation and administration of this policy is the responsibility of the Chief Administrative Officer who will establish all procedures and controls necessary to comply with all relevant statutory and legal obligations. The Chief Administrative Officer, with the assistance of the Senior Finance Manager, will ensure that all acquisitions are made according to this policy, sound business practise, and will employ appropriate accountability measures, thereby making procurement decisions defensible.

3.0 PROCUREMENT PRINCIPLES:

A. *Efficient* – after consideration of needs, alternatives, timing and availability of funds, acquire the necessary quality and quantify of goods and services in an efficient and cost-effective manner.

B. *Ethical* – act in a manner which provides potential suppliers equal opportunity to participate in the business of the Village and to ensure open and transparent procedures that withstand public scrutiny. The Village will implement appropriate procedures to avoid any perception of conflict of interests.

C. *Accountable* – the Village will publicly post the outcome of any publicly posted supply request within 20 days of contract signing and/or issue a report to Council.

D. *Impartial* – the process of open competitive bidding on the acquisition and disposal of goods and services will be fair, transparent, and non-discriminatory.

E. *Economical* – consider the total cost of ownership as defined by the Village in all contracts for goods and services.

F. *Co-operative* – participate with other governmental entities in co-operative purchasing programs and Supply Agreements where the best long-term interests of the Village will be served.

G. *Lawful* – comply with all applicable laws, Village policies, domestic and international trade agreements.

H. *Social* – use procurement practices to promote social and economic development.

I. Where practical the Village will endeavor to shop locally. Preference will be given to local suppliers and contractors up to a premium of 10%.

4.0 AUTHORITY:

The Chief Administrative Officer, Deputy Chief Administrative Officer, Senior Finance Manager, and Public Works Superintendent are hereby appointed by Council as the “purchasers” of the Village to purchase goods and services within the scope of this policy.

The Purchasers may expend within the approval of the current adopted financial plan and the limits imposed by the Delegation Bylaw’s spending limitations.

5.0 PURCHASING THRESHOLDS

Value of Goods or Services	<\$5,000	>\$5,000 to <\$25,000	≥25,000
Requirements	none	3 written quotes	Invitation to Tender; Request for Proposal; Invitation to Quote; Council Approval

Contracting out for goods or services valued at or between \$5,000 to \$25,000 (excluding taxes) requires written quotes. The Purchasers shall seek to obtain a minimum of three written quotations from Contractors, recognizing that we may not always succeed in receiving three quotes.

Contracting for works valued in excess of \$25,000 shall be done via tender or request for proposals. The Tender process is utilized when specifications and conditions to a contract are known. The contract is built into the tender document.

Tenders will be evaluated on, but not limited to, the following:

- A. The lowest of any price may not necessarily be accepted.
- B. Must have evidence of successful performance for similar works.

Requests for proposals are used for the purchase of goods, services, equipment and materials when there are no specifications to work with, or when the Village is searching the marketplace for new and innovative ideas and has made a decision not to use specifications. A contract is formed after the successful proposal has been selected.

Requests for proposals will be evaluated on but not limited to the following:

- A. Price, with the understanding that the lowest of any price may not necessarily be accepted.

- B. Reference checks; must have evidence of successful performance for similar works
- C. Equipment and related experience and suitability
- D. Time frame of works
- E. Innovation of project
- F. Description of works
- G. Inclusion of applicable supporting documentation or information included in the submitted proposal.

All submission of RFPs, ITT's, ITQ's will be date and time stamped. In the circumstances where items are received via email, the time the emails are received (time stamped) will be used as the time received for the purposes of submission. Mailed submissions will be checked ½ hour prior to the closing time. Faxed submissions will be checked at the time of closing.

The Village reserves the right to offset any outstanding debts owed to the Village by the Contractor against any amounts owing to the Contractor regarding contracted works.

All Tenders will be opened in the presence of at least 2 (two) Council members, at a time which may be set by the Chief Administrative Officer outside of Council Meetings. After opening, tenders will be reviewed by staff and then approved by Council at a Council meeting. All RFP's will be received by staff, reported to Council, and approvals and awarding of proposed works will be made by Council.

6.0 EXCEPTIONS TO THE POLICY:

Where goods, services or construction are urgently required and delay would be injurious to life and/or property, the Chief Administrative Officer or their designate will authorize any and all actions to be taken and these will be considered as an exception to this policy.

At the conclusion of such described emergency conditions, the Chief Administrative Officer or their designate will report back to Council with the cost implications and summary of actions taken to mitigate the event.

7.0 SOLE SOURCE/SINGLE SOURCE SUPPLY

The Village may contract with a sole or single source, as defined below, in the following instances:

- A. Low value purchases made by purchase card;
- B. When an ITQ, RFP, or ITT has been publicly issued and either none or only one acceptable response is received;
- C. When a Notice of Intent (NOI) has been publicly posted and no reasonable objection has been received in accordance with the terms of the NOI;
- D. When utilizing a co-op group contract with other local governments or first nations on Haida Gwaii;
- E. Upon written approval of the Chief Administrative Officer or designate, if requested by Council to enter into a Direct Award Contract.

If the Village must award a contract without following the procedures set out in this policy, a "Notice of Intent to Direct Award a Contract" Report must be presented to Council and made available to the public. Reasons for direct awarding a contract include, but are not limited to:

- A. Insufficient quotes received for an RFP or RFT.
- B. Emergency projects or works.
- C. Unsolicited offering of services not regularly available on Haida Gwaii.

The "Notice of Intent to Direct Award a Contract" Report must include the reasons for direct award including an internal and external analysis, which details the strategic, financial, and administrative impacts of direct award, and also the consequences had the contract not been directly awarded. In the event of an emergency project or works, the report will be provided to Council after the occurrence of the direct award.

8.0 SUPPLIER PREQUALIFICATION

The Village may choose to prequalify service providers where there is a probability of services being required on an ongoing, and when required, basis or as part of a multi-stage procurement process.

A supplier not currently on a prequalification list may submit their qualifications once a year for consideration.

The Village may remove a supplier from the prequalification list where performance is not satisfactory or does not comply with the contracted terms and conditions.



Mayor Doug Daugert



CAO Elsie Lemke