

qathet REGIONAL DISTRICT POLICY

SECTION FINANCIAL POLICIES
POLICY 3.16
SUBJECT PROCUREMENT POLICY
ADOPTED OCTOBER 25, 2023

1. POLICY STATEMENT

It is the policy of the qathet Regional District (qRD) to acquire goods and services through a public procurement process whenever practical that results in supply arrangements that offer best value with consideration towards total cost, quality, expertise, as well as environmental, ethical and social sustainability.

2. PURPOSE

To set out the responsibilities and accountability associated with the effective, efficient and economical acquisition of goods and services. The policy applies to all qRD services.

3. ROLE OF THE BOARD

3.1 Delegation of Authority

The Board has delegated the authority to execute contracts and purchase agreements to staff as outlined in the “qathet Regional District Delegation of Purchasing Authority Bylaw No. 589, 2023” and in conjunction with this policy.

3.2 Separation of Roles

To ensure the need for a clear and transparent separation of political and administrative functions, the Board has established this policy and approved expenditures through the qRD’s Financial Plan approval process.

The Board recognizes the need to be removed from procurement processes from the time a procurement is issued to the market to the point where a contract has been awarded to the successful bidder, except where the Board is presented with a recommendation to approve the contract award in accordance with this policy.

The Board maintains the ability to identify specific procurements of interest that require additional Board approval for reasons such as those that are of a high value, involve significant risk or are of significant interest to the community. Staff maintain the ability to identify contract awards or procurements in which they feel Board approval is in the best interest of the qRD.

When recommending contract awards for Low Bid Procurements, qRD staff shall provide the Board with each compliant bidder’s tendered price. When recommending contract award approval for Best Value Procurements, staff shall provide the Board with the ranking of each

compliant response. In all cases, when recommending contract award, the Board will be provided with a description of the procurement process undertaken, the number of responses received and the value of the award.

4. EXCEPTIONS

4.1 Emergencies

In an unforeseen circumstance that requires immediate action, such that inaction would result in harm to a person or harm or damage to real or personal property of any type, the methods and procedures set out within this policy may be waived as approved expressly by the CAO or, in the event of a state of emergency, by the qRD's Emergency Operations Centre Director or designate. A report summarizing the emergency procurement will be presented to the Board following the emergency.

4.2 Exemptions

This procurement policy establishes the policies and practices applying to the purchase of all types of goods, services and construction. A direct award process is one where a contract is awarded without using a competitive process. It may be employed when in compliance with the New West Partnership Trade Agreement (NWPTA), Canadian Free Trade Agreement (CFTA) and Canadian-European Union Comprehensive Economic and Free Trade Agreement (CETA). The following procurements are exempt from the trade agreements so do not require a competitive purchasing process:

- Treasury services;
- Procurement of health and social services;
- Procurement of services provided by lawyers and notaries;
- Purchases from philanthropic institutions, prison labour or persons with disabilities;
- Purchases from a public body or non-profit organization;
- Purchases from Aboriginal peoples;
- Purchases through provincial and federal corporate supply arrangements;
- Goods, services or construction required to respond to an unforeseeable situation of urgency as laid out in section 4.1 of this policy;
- Goods intended for resale to the public;
- In the absence of a receipt of any bids in response to a Public Competitive Process.

4.3 Recurring Expenditures

Some recurring expenditures do not lend themselves to the minimum methodology of procurement thresholds. Consequently, the following Procurement items can be a Sole Source or Direct Award purchase, despite exceeding the values specified in this policy:

- Memberships in professional and vocational associations and their publications and other professional fees;
- Utility costs including, but not limited to, hydro, gas and telecommunications;
- Employee salaries and benefits;
- Travel expenses, hotel accommodations, approved entertainment, course fees or reimbursements;
- Conference and convention fees and registration;

- Payroll, payroll liabilities and employee benefits;
- Honorariums;
- Insurance premiums;
- Permits;
- Ongoing subscription fees for software licences, security monitoring, etc.;
- Low value purchases such as printing and copying, stationery and supplies, catering, postage, print, media advertising, couriers or shipping.

5. AUTHORITIES AND RESPONSIBILITIES

5.1 Roles and Responsibilities

Procurement activities not requiring a competitive process are the responsibility of each User Department, which are delegated the authority for acquiring goods, equipment, services and construction for all operational and capital requirements per Bylaw No. 589 and this policy.

It is the responsibility of the Department Heads to ensure that their department's procurement practices serve the best interest of the qRD, comply with this procurement policy, common law and any trade treaty agreements.

The Manager of Financial Services is responsible and accountable for the management of the acquisition of goods and services and protection and disposal of assets. Staff are to authorize purchases up to delegated authority, ensure budget funds are available in duly authorized accounts or functions, and identify any applicable conditions which need to be adhered to if grants are part of the funding source. The Manager of Financial Services or designate will sign off on budget availability for all publicly posted competitions before proceeding to market.

Individuals involved in procurement activities shall identify and develop the specifications to be met through a procurement process, meet legal and ethical obligations, and secure authorization from an approver prior to any purchase. A competitive process is to be used whenever practical and possible.

The purchasing officer for the qRD is the Manager of Financial Services who is responsible for the implementation of the day-to-day administration of the procurement policy, and will establish and employ such practices, processes, procedures and methods as are determined appropriate to the efficient and effective operation of procurement.

5.2 Authority for Procurement Transactions

Procurement Transactions cannot be completed unless the need has first been identified, budgeted for and approved by the Board in the Financial Plan. The Board may wish to approve the method of procurement during the adoption of the Financial Plan, otherwise all Procurement Transactions shall be completed according to this policy. All invoices and purchase orders must be approved by the person with designated purchasing authority as outlined in section 5.3.

Market research procurement methods as defined in section 9.1 may take place when the interest is to develop a budget and Scope of Work for approval by the Board.

Contract awards as well as Change Orders exceeding the Board approved Financial Plan will either be:

- (a) Held until the Board approves a Financial Plan amendment, or
- (b) Cancelled due to insufficient budget and may be reissued under a refined Scope of Work.

5.3 Purchasing Authority

Subject to the terms of this policy, any statutory requirements, Board policies, and qRD Bylaw No. 589, the following positions have authority to make purchase commitments and to execute contracts and change orders for the Procurement of goods and services up to the identified value limits excluding taxes:

Purchase Commitment	Purchasing Authority
Up to \$3,000	Employees with written authority of the Chief Administrative Officer
Up to \$5,000	Fire Chiefs
Up to \$10,000	Supervisors
Up to \$25,000	Assistant Managers, Coordinators, Communications Advisor
Up to \$75,000	Managers
Up to \$100,000	Chief Administrative Officer or Corporate Officer or Chief Financial Officer
Up to \$500,000	Chief Administrative Officer and one Officer or Manager
Over \$500,000	Board

For multi-year service contracts, the total value of the service over the life of the contract will be used to determine the purchasing authority and the method of purchasing used. A service contract cannot exceed five (5) years as outlined in section 5.3 (f).

Persons with spending commitment and purchasing authority have the following responsibilities:

- (a) Ensure the value of the commitment, contract or change order is within the approved Financial Plan.
- (b) Ensure the qRD is able to meet its obligations within the terms of the contract and that it is likely the other party can meet their obligations.
- (c) Ensure the contract complies with WorkSafeBC legislation, labour legislation, employee collective agreements, tax legislation, qRD bylaws, and other legislation and regulatory requirements.
- (d) Be aware of any financial and other benefits that are expected to flow to the qRD as a result of the contract.
- (e) Review intellectual property requirements and consider physical, bodily and personal injury indemnities, and risk exposure.
- (f) Ensure that any contract does not create a liability to the qRD that exceeds or that could exceed five (5) years by exercising rights of renewal or extension.

5.4 Authority for Procurement Method

Where not outlined within this policy, staff of the qRD will approach the Board with a recommendation to determine the method to be used to procure the goods and services required.

5.5 Responsibility for the Scope of Work or Specifications

User Departments are responsible for defining the needs of the procurement in the Scope of Work or Specifications.

User Departments may seek assistance from consultants or other qRD staff and may utilize market research techniques as defined in section 9.1.

Consultants assisting in the development of a qRD procurement will not be permitted to compete for the resulting opportunity.

Direct contact with vendors should be avoided when preparing a Scope of Work or Specifications.

Scope of Works and Specifications shall be generic and not specific to any one vendor to ensure competition is not reduced.

Scope of Works and Specifications substantially deviating from that which was presented and approved in the Financial Plan are to be reviewed by the Manager of Financial Services to determine if an amendment to the Financial Plan is required prior to the procurement taking place.

6. ETHICAL CONSIDERATIONS

6.1 Conflict of Interest and Confidentiality

Staff or anyone in the position that could influence the evaluation of bids, tenders, quotes and proposals shall conduct evaluations with the removal of bias, positive or negative, against both existing and potential vendors. Any and all qualified vendors within jurisdictions covered by trade treaties levied on the qRD shall be treated transparently, fairly, equally and without discrimination.

Staff with a real or perceived conflict of interest in a vendor or a potential vendor must report this interest immediately to the Corporate Officer or the Chief Administrative Officer. The Corporate Officer or the Chief Administrative Officer will review the interest and may remove the staff member from involvement in the procurement recommending a suitable staff member for replacement.

Staff and non-staff evaluating quotes, offers, bids, tenders and proposals, which includes serving on an evaluation committee, will not disclose any information gained during the course of their evaluation except to other qRD staff who may, in the normal course of qRD business, have a need for such information.

Staff and non-staff participating on an evaluation committee will be required to sign a declaration of non-conflict of interest and a confidentiality statement.

6.2 Supplier Code of Conduct

All suppliers, vendors and individuals including volunteers offering goods and services to the qRD are expected to comply with the code of conduct detailed below. Failure to follow this code of conduct may result in the termination of a contract and disqualification from future opportunities.

Professionalism

All employees, volunteers, agents, and contractors or vendors under agreement or contract with the qRD are required to:

- (a) Carry out their responsibilities in a professional and competent manner.
- (b) Continue to improve their knowledge, competence, skills, and professional ability.
- (c) Be aware of and abide by the British Columbia Human Rights Code.
- (d) Not engage in any action or conduct or make any comment, gesture, or contact that a reasonable person would regard as likely to cause offence or humiliation to anyone whether in the workplace or other location.
- (e) Act, and be perceived by the public to act, in a fair and impartial manner in the performance of their duties or provision of services.
- (f) Not make any public comments that denigrate, disparage, or are disrespectful of the qRD, employees, and elected officials, and refrain from making negative comments about the credibility of the qRD, employees, and elected officials.
- (g) Conduct themselves in a friendly, courteous, and professional manner when dealing with the public.
- (h) Refrain from engaging in any other practice that could unfavourably reflect upon the qRD as identified solely by the qRD.

6.3 Lobbying

No bidder / proponent / vendor or anyone involved in preparing bids or proposals shall lobby any elected official or qRD staff in an effort to secure a contract. During a competitive procurement process, all communications are to be made through the Financial Services Department unless the procurement document explicitly states otherwise. Vendors found to be lobbying for a contract award will be disqualified from consideration for the procurement and may be disqualified from future procurement opportunities. The following will be deemed as inappropriate communication during an active procurement:

- (a) Commenting on, or attempting to influence views on, the merits of the vendor's response Proposal, or in relation to responses from other vendors.
- (b) Influencing, or attempting to influence, the evaluation and ranking of responses, the selection of the vendor, or any negotiations with the preferred vendor.
- (c) Promoting the vendor or its interest in the services, including in preference to that of another vendor.

- (d) Commenting on or criticizing aspects of the procurement, the evaluation process or the Scope of Work or Specifications, including in a manner that may give the vendor a competitive or other advantage over other vendors.
- (e) Criticizing the responses of other vendors.

6.4 Gifts

To preserve the image and integrity of the qathet Regional District employees must not accept a gift or personal benefit that could reasonably be expected to result in a real or perceived conflict of interest. To assist in avoiding that situation, employees will not accept gifts or personal benefits from businesses or commercial enterprises having a value that exceeds \$250.00.

In the event that a gift exceeding \$250.00 is received, the employee must file with the Corporate Officer, as soon as reasonably practicable, a disclosure statement indicating the nature of the gift or benefit.

For the purposes of this policy, the value of each gift or personal benefit shall be determined by its replacement cost, i.e. the retail cost to replace the item.

For clarity, the following are not considered gifts or personal benefits:

- (a) Conference registration packages;
- (b) A random draw prize at an event attended by an employee.

6.5 Transaction / Contract Splitting

qRD staff shall not split transactions or procurements in an effort to fall below thresholds set out in sections 5.3 or 8.0.

7. SUSTAINABLE PROCUREMENT

The qRD will promote procurement processes and make decisions that are consistent with the strategic goals and objectives of the qRD.

In an effort to leverage procurement dollars to benefit the community and society, the qRD may include the consideration of sustainability in Best Value Procurements.

Sustainability could include attention to environmental, ethical and corporate social responsibility as well as social value.

The qRD is committed to sustainable procurement and will endeavour to design opportunities to minimize environmental and ethical impact and maximize social value.

Sustainability consideration will be balanced against best value requirements for each individual procurement. The weighting toward sustainability in each procurement may be based on the marketplace, Scope of Work and / or level of risk inherent with the procurement.

When evaluating sustainability factors, qRD staff shall look to third party verification and certifications when awarding points. Staff may also look to utilize reference checks to verify claims made in response to qRD public solicitation.

7.1 Environmental Responsibility

When evaluating environmental responsibility in qRD procurements, points may be awarded where proponents:

- Minimize environmental harm, including end of life impacts.
- Maximize resource efficiency (e.g. reduce energy and water consumption and minimize waste).
- Minimize carbon emissions.

7.2 Ethical Responsibility

When evaluating ethical responsibility, points may be awarded where proponents:

- Maximize fair trade opportunities.
- Ensure sound working conditions throughout the supply chain that meet or exceed provincial, national or international employment standards.

7.3 Social Value

When considering social value, points may be awarded where proponents:

- Maximize contracting or sub-contracting opportunities for Indigenous Business.
- Maximize employment opportunities for Tla'amin, shíshálh, Klahoose, Nanoose, and K'ómoks First Nations and/or other Aboriginal populations.
- Maximize employment, training and apprenticeship opportunities among local, disadvantaged, equity-seeking or marginalized individuals and populations.
- Maximize the diversification of the supply chain by including non-profit organizations, social enterprises and small-medium enterprises.
- Contribute to the strengthening of the community by supporting the social goals and objectives of the qRD.
- Include any corporate social responsibility initiatives undertaken by the organization that contribute to social wellbeing.

8. PROCUREMENT THRESHOLDS AND METHODS

The following thresholds will guide the method of procurement used to purchase goods or services. Authority to commit to goods or services is governed by Bylaw No. 589 and any amendments thereto, in conjunction with this policy. The procurement methods shown are the minimum requirements. Staff are encouraged to use the Public Competitive Process whenever practicable.

Goods and General Services

Value	Procurement Method (minimum)	Issued By
Up to \$10,000	Direct award or Single quote	User Department
\$10,000 to < \$75,000	Request three written quotes	User Department
\$75,000 +	Public Competitive Process or Authorized Buying Group	Department Manager

Professional Services

Value	Procurement Method (minimum)	Issued By
Up to \$50,000	Single written quote	User Department
\$50,000 to < \$75,000	Request three written quotes	User Department
\$75,000 +	Public Competitive Process	Department Manager

Construction

Value	Procurement Method (minimum)	Issued By
Up to \$50,000	Single written quote	User Department
\$50,000 to < \$200,000	Request three written quotes	User Department
\$200,000 +	Public Competitive Process	Department Manager

9. PROCUREMENT METHODS

9.1 Market Research Methods

Market research methods are public solicitations that do not result in the award of qRD business. They are utilized to assess the marketplace for potential qRD opportunities and to offer the market transparent and fair input into a resulting competitive procurement process.

(a) Request for Information

To request general information regarding goods and / or services provided by vendors, and to invite input regarding the development of procurement strategies. May also request a response for high-level budgetary considerations.

(b) Request for Expressions of Interest

To determine the market interest in a competitive solicitation process.

9.2 Non-Competitive Methods

Non-competitive methods are procurements where only one vendor is solicited for a quote or purchase. Non-competitive methods are used for the purchase of goods or services that are accepted based on a standard, uniform, clear scope of work for small-scale projects of low dollar value or low complexity. Whenever possible, staff should request competitive quotes.

(a) Single Informal Quote

A quote offering goods or services that may be received verbally or by fax or email.

(b) Single Written Quote

A formal quote offering goods or services. May include terms and conditions.

(c) Direct Award

The direct award procurement method may be used if the procurement meets the exemption criteria as outlined in section 4. If a procurement would typically require a Public Competitive Process, the requirement for the Public Competitive Process may be waived by the CAO or CFO and replaced with negotiations by staff under the following circumstances:

- i. Where competition is precluded due to the application of any Act or legislation or other legal consideration (such as patent rights/copyrights);
- ii. 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;
- iii. 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;
- iv. Where the possibility of a follow-on contract was identified in the original bid solicitation;
- v. Where the value of a transaction for goods or services is less than \$75,000 and the applicable manager or CAO has determined that a competitive process would not be practical and has given written approval for the acquisition;
- vi. Where the value of a transaction for construction is less than \$200,000 and the applicable manager or CAO has determined that a competitive process would not be practical and has given written approval for the acquisition;
- vii. For the purchase of goods on a commodity market.
- viii. For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor or the lessor's pre-approved suppliers.
- ix. For work to be performed by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work or equipment.
- x. For a contract to be awarded to the winner of a design contest.

- xi. For the procurement of a prototype of a first good or pilot of a first service to be developed in the course of a particular contract for research, experiment, study or original development, but not for any subsequent purchases.
- xii. For the purchase of goods under exceptionally advantageous circumstances such as used goods, bankruptcy, auction or receivership, but not for routine purchases.
- xiii. Refunds, settlements or damages.
- xiv. For the procurement of real property.
- xv. Where a Public Competitive Process is impractical because of the need to obtain unique third party skills, there is a requirement for contractor continuity, or there is a strong case for the cost effectiveness of maintaining or retaining an existing contractor for a specific task.

Approval of a non-competitive transaction must be within the signing authority of the person approving the transaction. A non-competitive transaction must only be approved if it complies with the applicable trade agreements and procurement law principles.

A Notice of Intent (NOI) is used to provide public notice of the qRD's intent to direct award, where the qRD cannot strictly demonstrate that the procurement meets the exemption criteria as set out in section 4 of this policy. NOIs will be posted on the qRD website as well as BC Bid for any direct award in excess of \$75,000 for goods and services, or in excess of \$200,000 for construction contracts, and subject to the requirements of the New West Partnership Trade Agreement (NWPTA), Canadian Free Trade Agreement (CFTA) and Canadian-European Union Comprehensive Economic and Free Trade Agreement (CETA). If a successful challenge is received, an appropriate procurement process will be undertaken.

Staff must seek Board approval for any procurement in excess of \$500,000 but should first seek appropriate advice on whether the procurement is compliant with applicable trade agreements and procurement law principles.

9.3 Competitive Methods

Competitive methods are procurements where more than one vendor is solicited for a quote. Competitive methods are generally used for the purchase of goods or services that have a higher dollar value but a competitive method may be used for various types and values of procurements.

(a) Three Written Quotes

A formal quote offering goods or services. May include terms and conditions.

(b) Request for Proposals (RFP)

A formal competitive bidding process generally used to secure services or performance driven contracts but may be advantageous in limited circumstances for the acquisition of standardized goods or materials. An RFP describes the project to be undertaken, the intended results, and the criteria for choosing the successful bidder; it seeks the creative input of the marketplace. An RFP asks the respondent to address the issue of how to achieve the desired results.

The successful proponent is chosen based on pre-established criteria such as proven expertise in the specific areas required, qualifications and experience of staff, reference checks, compliance with the RFP document, financial stability and costs.

(c) Invitation to Tender (ITT)

Requires that a formal written tender document be prepared which includes all relevant conditions and specifications for the goods or services required. A disclaimer stating, "the lowest or any bid is not necessarily accepted" must be included in the tender document.

The tender will be advertised and tender documents will be available to all potential suppliers and could include a non-refundable fee.

Sealed tenders will be received from bidders at the location and up to the time specified in the tender document. Tendered bids must be presented for submission, sealed and stamped as to time and date of receipt, and maintained in a sealed condition.

The responsible manager will convene a formal tender opening on the closing date of the tender that may be attended by interested parties and must include at least two witnesses. The person responsible will undertake an evaluation of the bids and prepare a contract that must meet all of the terms and conditions set out in the tender document. If a bid offers features that either adds or limits the terms and conditions of supply as specified in the tender document, then the bid may be rejected.

(d) Request for Standing Offers (RSO)

To acquire offers for goods or services that are needed on an ongoing basis, where the qRD enters into a contract only when an order is placed, as needed. Can be either price-based or value based.

(e) Request for Qualifications (RFQu)

To create a pre-qualification list of vendors who are eligible to participate in subsequent procurement processes. Shortlists are created using qualitative factors only and price would not normally be considered.

(f) Request for Quotations (RFQ)

To acquire goods or services when price is the predominant deciding factor. Awarded to the lowest price bid that meets all mandatory requirements and specifications.

(g) Request for Corporate Supply Arrangement or Master Standing Agreements

To acquire goods or services on behalf of a collaborative or co-operative buying group or purchasing consortium. Award is either price-based or value-based.

(h) Buying Group

To acquire goods or services from a Buying Group. Where the qRD participates in a Buying Group, it shall ensure that all of the qRD's Trade Agreement obligations are met.

A notice of intention to purchase through a Buying Group or Co-Operative must be posted annually on the qRD's website and the local newspapers.

Public Competitive Process

The Public Competitive Process is a formal competitive process to solicit quotes, proposals or bids. Bid opportunities will be made publicly available on the qRD's website bid opportunities page, BC Bid or potentially other public tendering systems. Once a Public Competitive Process has been undertaken all vendors covered under the New West Partnership Trade Agreement (NWPTA) and Canadian Free Trade Agreement (CFTA) and Canadian-European Union Comprehensive Economic and Free Trade Agreement (CETA) who submit compliant responses will be considered in a fair and transparent manner without discrimination.

9.4 Other Considerations

(a) Financial Security

The qRD may require financial security from potential suppliers if considered to be in the qRD's best interest. Bonding is not required on every bid but it is advisable where there is a large liability or the value is over \$100,000.

(b) WorkSafeBC

All contracts for services to be provided on qRD property require the contractor to provide proof of registration, where applicable, and remain in good standing with WorkSafeBC throughout the term of the contract. In the event that the contractor is unable to obtain WorkSafeBC coverage, the estimated cost of the premiums that the qRD would be required to remit to WorkSafeBC for the labour provided will be added to the cost quoted by the vendor when selecting a supplier.

10. AWARD METHODS

Commitment and spending authority limits are governed by Bylaw No. 589 in conjunction with this policy. The following award methods will be used when finalizing a purchase commitment. The staff member authorizing the award will be responsible for deciding on the type of award and may seek consultation from the Financial Services Department. User Departments are responsible for managing contracts and agreements following the award.

(a) Petty Cash

Used for low value purchases of less than \$100.

(b) Credit Card / Purchasing Card

Used for low value purchases, foreign exchange purchases, travel, accommodation, on line purchases within spending thresholds, and as permitted by the qRD credit card / purchasing card use policy. Credit card use must comply with the qRD's Credit Card Use Policy 3.5.

(c) Cheque Requisition

Used for Low Value Procurement where an invoice has been received and a Purchase Order is not applicable. This is the exception and should only be used in limited circumstances.

(d) Purchase Order

Used to purchase goods or equipment of low or high value or a service of low value with minimal risk and a defined Scope of Work or Specifications.

(e) Contract / Agreement

Used for purchasing all types of general, professional and construction services.

May require legal review for complex or high value contracts.

(f) Change Orders / Contract Amendment

Used to update, alter, extend or otherwise modify a contract.

Changes to contract value must be within the approved Financial Plan or, if exceeding the financial plan, have received Board approval to amend the Financial Plan.

(g) Corporate Supply Arrangements and Master Standing Agreements

Used by a buying group to form a contract for goods or services.

11. VENDOR PERFORMANCE MANAGEMENT

In an effort to ensure open and transparent communication with existing vendors, Contract Managers will actively monitor the performance of vendors and contractors and work directly with vendors to resolve any minor or isolated moderate performance issues. In instances where severe performance issues or an unsatisfactory accumulation of minor or moderate performance issues occur, Contract Managers are to contact the Financial Services Department and a formal vendor performance review will be undertaken. In most cases (excepting the most extreme instances), vendors will be provided an opportunity to respond to and resolve any performance issue(s) identified in a vendor performance review.

Vendors may be subject to termination of a contract or disqualification from future business if there is sufficient evidence of consistent failure to meet the standards specified by the qRD. The qRD will maintain vendor performance files as required. Information in this file will be supplied to the Contract Manager and procurement staff. Vendors may be evaluated based on price, quality of the product or service, contract adherence and performance, customer service and their responsiveness to requests from the qRD. Upon reasonable notice in writing to the vendor involved, and after a reasonable opportunity for response, a vendor can have their contract terminated and can be disqualified from participating in a solicitation for goods or services for a period not exceeding five (5) years.

Vendors or proponents shall be disqualified when:

- (a) Serious breach of contract indicating unwillingness to perform a contract in accordance with the terms and conditions or 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 both.
- (b) An inducement to an official or employee of the qRD by a vendor or proponent for consideration in an attempt to influence continued or future procurement opportunities.
- (c) Conviction for a criminal offence of a person or a director or official or such person relating to obtaining or attempting to obtain a contract or subcontract. An indication of lack of business integrity or honesty that directly or seriously affects the responsibility of the vendor or proponent.

A written decision shall be issued to the vendor or proponent disqualified or suspended setting out the reasons for disqualification or suspension, to the usual business address of that vendor or proponent as shown in the records of the Financial Services Department.

Vendor or proponent disqualification will be approved by the CAO.

12. OTHER PRACTICES

12.1 Debriefing

Within 60 days of notice of award, an unsuccessful bidder or proponent may request an opportunity to be debriefed by the qRD on the reasons for not being awarded a particular opportunity.

12.2 Document Retention

A procurement file for any completed publically posted procurement shall be finalized and filed. The file shall be retained for a period of not less than seven (7) years in accordance with the qRD Records Management Program.

12.3 Unsolicited Proposals

The qRD will accept unsolicited proposals for unique, innovative products or services that will result in demonstrated savings to the qRD. Unsolicited proposals are to be sent to the CAO for review. Business will be awarded based on the requirements laid out within this policy and the requirement for a Public Competitive Process will not be precluded by the receipt of an unsolicited proposal.

12.4 Tie Bids

In the rare case of a tie bid or quote, when all factors including pricing are considered equal, the names of the bidders will be written on separate pieces of paper and placed in a container; qRD staff or a staff representative will withdraw one paper; and the bidder whose name is on the withdrawn paper will receive the award.

12.5 Single Bid / Proposal

When only one bid or proposal is received in response to a competitive procurement method, qRD staff or representatives shall evaluate the response to ensure fair value will be acquired. Once qRD staff are confident that the response represents fair value, the contract may be awarded.

Should qRD staff find that the response does not represent fair value, staff may elect to negotiate or cancel and reissue the procurement.

12.6 Review by Legal Counsel

The CAO will approve all requests for legal services in connection with this policy which should be supported by a quote or estimated cost of the service.

Legal services relating to procurement may be required for:

- Procurements with significant risk.
- Procurements of a value higher than \$1 million.
- Award decisions when not awarding to low bid or the highest scoring proponent.
- The disqualification of a vendor due to either bid non-compliance or poor performance on a contract.
- Non-standard forms of contracts.
- Substantial changes to the qRD standard contract template.

12.7 Collaborative Procurement

The qRD may look to work with other procuring entities within the region, province or otherwise in an effort to maximize value and achieve economies of scale. When considering a collaborative procurement opportunity the qRD shall evaluate:

- The impact to the local vendor community and its ability to submit a potential response to a competition.
- The collaborative procurement group's ability to represent the values and meet the strategic goals of the qRD in relation to the procurement.

12.8 Service Delivery

Agreements between the qRD and other local governments for the management of direct service delivery for a qRD function, must obtain Board approval.

12.9 Land Acquisitions

All acquisitions of land shall be approved by the Board.

13. DEFINITIONS

In this Policy:

“Best Value Procurement” means a procurement that considers factors other than only price.

“Buying Group” means a body that uses the leverage of the purchasing power of a group of member organizations to achieve cost efficiencies for these organizations based on their collective buying power.

“CAO” means the Chief Administrative Officer of the qathet Regional District.

“CETA” means the Comprehensive Economic and Trade Agreement between Canada and the European Union.

“CFO” means the Chief Financial Officer of the qathet Regional District.

“CFTA” means the Canada Free Trade Agreement between the federal government and the provinces and territories of Canada. Replaces the Agreement on Internal Trade.

“Contract Manager” means the manager from a User Department responsible for administering the contract.

“Department Manager” means the senior manager of the applicable department.

“Emergency Operations Centre Director” means the person appointed to the position in the event of an activation of the Emergency Operation Centre in response to a state of emergency, usually the CAO of the qRD or, as designated, the CAO of a member municipality or First Nation.

“Financial Plan” means the Board approved budget and five-year financial plan adopted by the qRD Board each year as a result of the qRD financial planning process.

“Indigenous Business” means a business that meets the following criteria:

- (a) At least 51 per cent of the organization must be owned or controlled by Indigenous peoples; and
- (b) If the organization has six or more full-time staff, at least one-third of the employees must be Indigenous.

“Low Bid Procurement” means a procurement that considers price as the predominant deciding factor from qualified bidders.

“Low Value Procurement” means procurement of goods, services, facilities or construction in circumstances where the value falls below the threshold values for which a Public Competitive Process is required.

“Notice of Intent” (NOI) is public notice of the qRD’s intent to direct award, where the qRD cannot strictly demonstrate that the procurement meets the exemption criteria as set out in section 4 of this policy.

“NWPTA” means that New West Partnership Trade Agreement between the provinces of British Columbia, Alberta, Saskatchewan and Manitoba.

“Procurement” means the acquisition by any means, including by purchase, rental, lease or conditional sale, of goods, services or construction, but does not include:

- (a) Any form of government assistance such as grants, loans, equity infusion, guarantees or fiscal incentives; or
- (b) Provision by government organizations, including government entities, of goods and services to persons or other government organizations, including government entities.

“Transactions” means all functions that pertain to the acquisition of goods or services.

“Public Competitive Process” means a procurement where the qRD will request competitive bids and / or proposals from the public marketplace.

“qRD” means the qathet Regional District.

“Scope of Work” means a description of work or services that is to be performed by a vendor.

“Specifications” means a description of a good or finished product that is to be delivered by a vendor.

“User Department” means a department of the qRD.