

qathet Regional District Delegation of Purchasing Authority Bylaw No. 454, 2011

Adopted October 27, 2011 Consolidated for Convenience Only June 2020

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The following is a consolidated version of the qathet Regional District Delegation of Purchasing Authority Bylaw No. 454, 2011, and includes the following amendment bylaws:

Amendment Adoption Date Type		Purpose		
Bylaw No.				
Bylaw 454.1	May 28, 2015	Text	A bylaw to replace 'Schedule A'	
Bylaw 454.3	June 28, 2018	Text	A bylaw to replace 'Schedule A, Schedule	
			B, update references to the Local	
			Government Act and to repeal Bylaw 454.2	
			2017.	
Bylaw 454.4	September 27, 2018	Text	A bylaw to replace 'Schedule A'	
Bylaw 454.5	June 25, 2020	Text	Replacing Policy Statement in 'Schedule B'	
Bylaw 454.6		Text	Replace Schedule 'A' and Schedule 'B'	
		1	correcting section 5.1 and preamble	

gathet REGIONAL DISTRICT

BYLAW NO. 454

A bylaw to delegate the purchasing authority for the qathet Regional District

WHEREAS under sections 176(1)(e) and 192(1) the *Local Government Act* the board may, by bylaw, adopted by at least two thirds of the votes cast, delegate its powers, duties and functions, including those specifically established by an enactment, to its officers and employees;

AND WHEREAS the board of the qathet Regional District wishes to delegate to its officers and employees certain powers, duties and functions;

NOW THEREFORE the board of the qathet Regional District in open meeting assembled hereby enacts as follows:

Citation

1. This Bylaw may be cited for all purposes as "qathet Regional District Delegation of Purchasing Authority Bylaw No. 454, 2011."

Definitions

- 2. In this bylaw:
 - a) "Board" means the board of the qathet Regional District
 - b) **"Purchasing Policy"** means the purchasing management services policy attached to this by law as schedule 'B'
 - c) "qRD" means the gathet Regional District

Delegation

3. A delegation of a power, duty or function under this bylaw includes a delegation to a person who is, from time to time, acting on behalf of the delegate or is appointed by the board to act in the capacity of the delegate in the delegate's absence.

Purchasing authority for goods and services

- 4.1 The board hereby delegates to the persons holding the positions referred to in column 1 of schedule "A" of this bylaw the power, duty and function of the **qRD** to purchase or acquire goods or services on behalf of and for the benefit of the **qRD** to the amounts listed in column 2 of schedule "A" in accordance with the purchasing management services policy attached to this bylaw as schedule "B".
- 4.2 In the absence of the delegate, the powers delegated under subsection 4 may be exercised by a person who has been appointed to act in the capacity of the delegate, or the manager of that person's branch. In the absence of a manager, the powers delegated under section 4 of this bylaw may be exercised by the chief administrative officer or the person designated as the acting chief administrative officer.

Land Use Agreements

- 5.1 The board hereby delegates to the persons holding the positions referred to in column 1 of schedule "A" of this bylaw the following powers, duties and functions to be exercised in accordance with the Purchasing Policy:
 - (a) The power to acquire, amend or discharge a statutory right of way or easement one half of the **qRD** in connection with the operation and maintenance of any works or service of the **qRD**; and
 - (b) The power to enter into a lease or license of real property necessary or convenient for the operation and maintenance of any works or service of the **qRD** where the value of the rent, licence fee or other consideration for the term is within the amounts listed in column 2 of schedule "A".
- 5.2 In the absence of a manager, the powers delegated under section 5.1 of this bylaw may be exercised by the chief administrative officer or person designated as the acting chief administrative officer.

Limits on Expenditures

- 6. Despite section 4, an officer or employee of the **qRD** must not enter into an agreement of a capital nature under which the qRD would incur a liability payable after the end of the then current year for a term that is for more than 5 years, including all rights of renewal and extension.
- 7. An expenditure made by a person to whom the board has delegated authority under this bylaw must be within the **qRD**'s approved financial plan.

READ A FIRST TIME	27th	day of	October	2011.
READ A SECOND TIME	27th	day of	October	2011.
READ A THIRD TIME	27th	day of	October	2011.
ADOPTED	27th	day of	October	2011.

Signature on file	Signature on file
Chair	Corporate Officer

"Bylaw 454.4 - Schedule 'A'

	Column 1 Position	Column 2 Commitment/spending authority
1	Purchase cardholders	Cardholders and cardholder limits authorized by the chief administrative officer
2	 Parks and Properties Supervisor Regional Fire Services Office Clerk Communication Advisor 	Purchases less than \$3,000
3	 Accountant Fire Chiefs Health and Safety Coordinator Manager of Administrative Services Manager of Emergency Services Manager of Operational Services Manager of Planning Services Manager of Technical Services Assistant Manager of Financial Services Assistant Manager of Administrative Services 	Purchases less than \$5,000
4	 Manager of Asset Management and Strategic Initiatives Chief Financial Officer 	Purchases less than \$10,000
5	Chief Administrative Officer	Purchases less than \$75,000
6	Chief Administrative Officer	Land use agreements less than \$75,000

All amounts in column 2 are exclusive of taxes for an item or service or combination of items or services purchased or acquired for a single purpose.

Schedule 'B'

PURCHASING MANAGEMENT SERVICES POLICY PURPOSE:

1.0 Purpose and scope of the purchasing management services policy

The purpose of the purchasing management services policy is to set out the responsibilities and accountability associated with the efficient and economical acquisition of goods and services. This policy applies to all qRD services (functions) and includes all purchases, leases and rentals using operating, capital and restricted funds of the qRD. This policy also applies to affiliated entities. as per section 1.7.

1.1 Guiding principle

The purchasing management services policy is guided by the principle of probity, which means that all activities are undertaken in a visibly fair, ethical, environmentally sustainable, and prudent manner.

1.2 Policy statement

It is the policy of qathet Regional District to acquire goods and services through a public process resulting in supply arrangements that offer best value with consideration towards total cost, quality, service, as well as environmental, social, economic and cultural sustainability.

1.3 Roles and responsibilities

- 1.3.1 Purchasing and supply management activities at the qRD are decentralized by branch (service), which are delegated the responsibility and authority for acquiring goods, equipment, services and construction for all operational and capital requirements, as per appendix A (Spending and Commitment Authority Matrix).
- 1.3.2 The officer responsible for financial administration for the qRD is responsible and accountable for the management of the acquisition of goods, protection and disposal of assets.
- 1.3.3 The purchasing officer for the qRD is the chief financial officer, who is responsible for the implementation of the day-to-day administration of the purchasing management services policy, and will establish and employ such practices, processes, procedures or methods as are determined appropriate to the efficient and effective operation of purchasing management services.
- 1.3.4 It is the intention of the policy to provide internal control measures through the separation of duties and responsibilities (i.e. commitment authority; confirmation of goods/services received; invoice approval) relating to the acquisition of goods and/or services.

- 1.3.5 Contracts, agreements and purchase requisitions are to be executed in accordance with:
- Appendix A Spending, commitment and signing authorities matrix.

 Disposal of surplus assets: The chief financial officer is responsible for the administration (i.e. recording the sale, asset write-down; co-ordination of annual sale or assisting branches with appropriate disposal method). The administration relates to the disposal of all surplus materials and assets through re-allocation within the qRD, to organizations delivering services on behalf of the qRD, public offer for sale, auction, trade, donation or landfill. A branch may choose to dispose of an asset any time during the year. The chief financial officer is to receive full details of the asset disposal whenever an asset is disposed of.
- 1.3.7 Commitment, spending and signing authority
 - (i) All acquisitions must comply with appendix A (Spending, commitment and signing authority matrix).
 - (ii) Where two signatures are required, they shall be from different branches unless otherwise specified by policy.
 - (iii) Persons with commitment, spending and signing authority have the following responsibilities:
 - Ensure that 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 obligation.
 - Ensure that the contract complies with Workers Compensation Board (WCB) legislation, labour legislation, employee collective agreements, tax legislation, and other legislative and regulatory requirements.
 - Ensure that the appropriate level of approval has been obtained for the contract.
 - Be aware of any financial and other benefits that are expected to flow to the qRD as a result of the contract.
 - Any administrative (support services) or staff overhead rate must be consistent with qRD guidelines or amended by the corporate financial officer or the chief administrative officer.
 - Review intellectual property requirements and physical, bodily injury and personal injury indemnities.

1.3.8 Contract management:

The administration branch shall maintain a register of contractual documents as follows:

- a list of the contractual documents:
- the name of the other party or parties signing the documents;
- the contact name, address and phone number of the other parties representative;
- qRD function code and staff responsibility for administering the contract;
- a brief description of the subject matter contained in the documents;
- the date of execution;
- the insurance requirements pursuant to the contract and confirmation note to indicate that they have been met;
- the critical dates such as performance related requirements, if any;
- total contract commitment;
- available budget;
- the payment terms;

- effective start and termination date and the actual or estimated amount of each contractual obligation;
- change order terms;

The financial branch shall notify the purchasing officer on a quarterly basis of pending expiry dates, including insurance, performance bonds and contract term dates and forward a copy of the contract to accounts payable.

1.4 Policy provisions

- 1.4.1 All qRD staff and directors shall comply with the letter and spirit of laws and regulations governing the public procurement function.
- 1.4.2 Branches responsible for the acquisition of goods or services must ensure that processes used to purchase goods or services are conducted in a manner that best serves the interests of the qRD and are consistent with the purchasing management services policy. The purchasing officer shall periodically review practices to evaluate whether effectiveness and value added procurement practices are being followed.
- 1.4.3 qRD staff with direct or indirect interest in a vendor or potential vendor must disclose such interest to the purchasing officer in order to ensure there are no adverse consequences from such conflict. Soliciting or accepting money, loans, credits, or prejudicial discounts, or the acceptance of gifts, entertainment, favours, or services is prohibited where it might influence, or appear to influence, purchasing decisions.
- 1.4.4 Gifts or prizes received while on qRD business shall be the property of the qRD, except:
 - (i) items included with registration package, and
 - (ii) items valued at < \$1,000.00.
- 1.4.5 Commitments or indications of preference to a supplier are not to be made by branches without written request and approval from the purchasing officer, corporate financial officer or chief administrative officer.
- 1.4.6 Strategic alliances provide additional value to the regional district by reducing point of purchase prices, reducing administration costs through longer term agreements, and/or resulting in increased revenue that supports regional district objectives. Additional value may take various forms such as cash, in-kind products and/or services, promotional items and others, in exchange for marketing value back to the external organization. Since this often results in a preferential agreement offering exclusivity, preferred supplier status or other benefits for a longer specific period of time, contractual arrangements of this nature require qRD board approval.
- 1.4.7 In respect to public process purchasing, the qRD may, in its absolute discretion, reject a tender, proposal or bid submitted by a tenderer, if the tenderer, or any officer or director of the tenderer is or has been engaged either directly or indirectly through another corporation in a legal action against the qRD, its elected or appointed officers and employees in relation to:
 - (i) any other contract for works or services, or
 - (ii) any matter arising from the qRD's exercise of its powers, duties, or functions under the Local Government Act or another enactment, within five years of the date of the public process.
- 1.4.8 In accordance with Section 1.4.7, in determining whether to reject a tender, proposal, or bid under this article, the qRD will consider whether the litigation is likely to affect the tenderer's ability to work with the qRD, its

- consultants and representatives and whether the qRD's experience with the tenderer indicates that the qRD is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the tenderer.
- 1.4.9 All qRD staff will make purchases in compliance with legislation and statutory regulations including WCB safety standards, customs duties, excise taxes, goods and services tax and provincial sales tax.
- 1.4.10 Rental/leases: Commitments to other parties may not be made, nor items acquired through a capital lease, which extend beyond:
 - (i) Funding availability.
 - (ii) Local Government Act or Community Charter legislation for agreements requiring the consent of the public.
 - (iii) Month-to-month rentals are permitted subject to funding availability and at the expiration of an agreement there is no funding shortfall to the respective budget. Such agreements must be in compliance with the statutory limitation for agreements not requiring the consent of the public.
 - (iv) Adjudication regarding leases is the responsibility of the purchasing officer, with exceptions requiring the approval of the chief administrative officer.
- 1.4.11 The purchase of goods and/or services shall be initiated by properly completed and approved documentation in accordance with appendix A Spending, commitment and signing authority matrix. A purchase order or formal agreement except for petty cash and purchasing card transactions shall contract goods and/or services.
- 1.4.12 The chief administrative officer may authorize staff to use a purchasing card, or initiate other e-commerce purchase and payment mechanisms to facilitate acquisition of low-dollar value goods and/or services consistent with and in accordance with purchasing operating guidelines and the purchasing card program. Staff is required to complete and sign a purchasing cardholder agreement approved by their manager which is to be retained on file by the finance department.
- 1.4.13 Circumstances for direct award procurement
 Specific details, in writing, must be provided justifying the requirement for direct award procurement according to the following exceptions:
 - 1.4.13.1 To ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licenses, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative;
 - 1.4.13.2 Where there is an absence of competition for technical reasons and the goods or services can be supplied only by a particular supplier and no alternative or substitute exists;
 - 1.4.13.3 For the procurement of goods or services the supply of which is controlled by a supplier that is a statutory monopoly;
 - 1.4.13.4 For the purchase of goods on a commodity market;
 - 1.4.13.5 For the acquisition of services from non-profit organizations;
 - 1.4.13.6 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 preapproved suppliers;
 - 1.4.13.7 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;

- 1.4.13.8 For a contract to be awarded to the winner of a design contest;
- 1.4.13.9 For the procurement of a prototype of a first good or service to be developed in the course of and of a particular contract for research, experiment, study or original development, but not for any subsequent purchases;
- 1.4.13.10 For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy, auction or receivership, but not for routine purchases;
- 1.4.13.11 For the procurement of subscriptions to newspapers, magazines or other periodicals;
- 1.4.13.12 For the procurement of real property;
- 1.4.13.13 Where the 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 a current contractor for a specific task;
- 1.4.13.14 Where the chief administrative officer in conjunction with another general manager approves the direct award purchase as requested.

1.5 Service delivery

All agreements between organizations or other local governments for the management of service delivery for a qRD function, must obtain board approval.

1.6 Emergency acquisitions

In an unforeseen circumstance that requires immediate action, such that inaction would result in harm to a person or to real or personal property of any type, then an acquisition by way of direct award or through a public process as deemed necessary to rectify the situation by a person authorized in appendix A (Spending, commitment and signing authority matrix) shall be made in accordance with the authority in appendix A.

Bylaw 454.3 – Schedule B - Appendix A qathet Regional District – Spending Commitment and Signing Authority Matrix

GOODS AND SERVICE	GOODS AND SERVICES All Prices Exclusive of Taxes						
COMMITMENT/ SPENDING LEVEL	COMMITMENT TYPE	NUMBER OF QUOTES	METHOD OF PURCHASE / QUOTE TYPE	LEAD TIME (WORKING DAYS)	COMMITMENT / SPENDING AUTHORITY	SIGNING AUTHORITY	SPECIAL CONDITIONS
<\$100	Petty cash	Single	Verbal, in person	Delegated to departments	Delegated to staff	Petty cash reconciliation – supervisor	Receipts req'd with payment claim (record GL acct. no., purpose of purchase on receipt)
<\$5,000 per item or aggregate	Purchase order; purchasing card, cheque requisition; corporate supply arrangement	Single	Verbal, in person; telephone; fax; email; or written	Delegated to departments	Purchase card – as delegated to staff; purchase order or cheque requisition – supervisor	Invoice (or purchasing card stmt) – manager (note: card holder must not approve their own stmt)	Purchase order and packing slip/receipt req'd with payment claim (record GL acct. no., purpose of purchase on receipt) and monthly reconciliation log for purchase card
>\$5,000 to \$10,000 per item or aggregate	Contract/agreement; purchase order	Request at least three (provide reason if direct award)	Written quotes; tender or request for proposal, request for quotation (min. 1 page specs)	Min 4 weeks	Contract/agreement, purchase order – manager	Invoice CAO	Rotate suppliers invited to quote (where more that 3 in business) or advertise)
>\$10,000 < \$75,000 per item or aggregate	Contract/agreement; purchase order	Public process or request at least 3 quotes	Written quotes, tender request for proposal (min 1 page specs)	Min 4 weeks	Contract/agreement or purchase order – CAO plus one manager or chief officer	Invoice – CFO	Advertise or invite submissions appropriately for the type of goods/services required. Post on BC Bid.
=>\$75,000 per item or aggregate	Contract/agreement	Public process	Tender, request for proposal (full specs)	Min 4 weeks	Contract/agreement – requires regional board approval	Invoice - CAO	
Special – volume purchasing	Master standard offer, purchase order, contract/agreement, corporate supply arrangements (CSA)	Public process	Tender, request for proposal	Min 8 weeks	MSO/CSA, purchase order or contract/agreement – manager or CAO	Invoice - CFO	
Change orders <20% of original project cost and within financial plan	Change order	Direct award, on-site contractor	Written	Min 1 week	Change order – Manager	Invoice - CAO	First right of refusal from on- sited contractor
Change orders >20% of original project cost and within financial plan	Change order	Direct award, on-site contractor	Written	Min 1 week	Changer Order – CAO	Invoice - CFO	Obtain second quotes for comparative analysis where practical
Change orders that exceed financial plan	Change Order	Direct award, on-site contractor	Written	Min 4 weeks	Change order – requires regional board approval	Invoice - CAO	
EMERGENCY PURCI	EMERGENCY PURCHASES All Prices Exclusive of Taxes						
Emergency purchases	Purchase order; purchasing card, contract/agreement	Direct award	Verbal, written	Immediate	Purchase order, Contract/agreement – CAO or manager	Invoice – manager	Written description of circumstances to be forwarded to finance