



ALBERNI-CLAYOQUOT
REGIONAL DISTRICT

ACRD Purchasing Policy Update

Presented to the ACRD - Committee of the Whole

June 25, 2025

Agenda

- Current Purchasing Policy Overview
 - Proposed Updated
 - Next Steps
 - Questions



Current Purchasing Policy



- Adopted September 11, 2013 with no amendments processed since adoption
- Establishes approval limits for differing staff levels
- Identifies purchasing methods, allowing for written quotes up to \$35,000 and tenders/Request for Proposals above \$35,000
- Decentralized process
- No directive social initiatives





Updates: Roles and Responsibilities

Content

Purchasing and supply management activities at the ACRD are no longer decentralized by department.

The Board is responsible for:

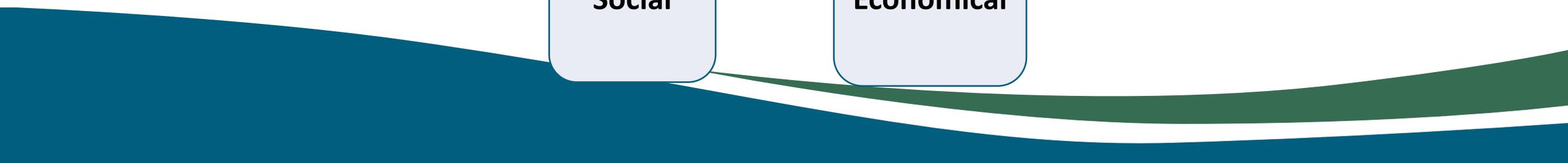
- Maintaining this policy

General Managers are responsible for:

- Ensuring departmental compliance with policy

Procurement Coordinator is responsible for:

- Administration and compliance of policy





New: Prohibitions

Proposed Addition

The following activities are prohibited under this Policy or excluded from the authority delegated to Authorized Staff:

- a) The dividing of contracts or procurements to avoid the requirements or thresholds of this or any Policy and the applicable trade treaties.*
- b) Committing the Regional District to a contract without the appropriate level of authority to do so.
- c) The Award of a contract for an expenditure which is not included in the Financial Plan without CAO/CFO/Board approval.
- d) The release of a supplier's written or oral information, subject to FIOPPA requirements.



New: Social, Indigenous, and Environmental Procurement



New: Local Purchasing Defined

What is the ACRD's
definition of "local"
purchasing?



New: Social Procurement: Definitions

Proposed Addition

Social Procurement refers to a procurement practice that seeks to leverage existing procurement activities to achieve positive social outcomes such as environmental, social, and economic benefits that align with community values and strategic objectives.

Social Enterprise refers to an organization that uses business strategies to achieve social, cultural, or environmental objectives, often characterized by reinvesting the majority (51% or more) of profits into their social mission.



New: Social Initiatives

Identified Overarching Goals

- Health Care growth and capacity
- Housing needs
- Skill Development
- Training Opportunities
- Accessibility
- Environmental - GHG emissions/waste reducing practices
- Opportunities for local businesses
- People facing barriers to employment, including employment equity designated groups as defined by Canadian Human Rights Commission
- Agriculture
- Living wage



New: Indigenous Procurement

Proposed Addition

Purchasing from Indigenous Business

- The ACRD will prioritize purchasing from Indigenous Businesses.
- This supports the Truth and Reconciliation Commission of Canada's Call to Action #92.
- It contributes to socio-economic reconciliation.
- The ACRD is committed to reconciliation with Indigenous peoples.
- It aims to support the long-term economic interests, development, and capacity of Indigenous Nations and groups.



Indigenous Procurement (Cont.)

Proposed Addition

Increasing Indigenous Employment and Opportunities

The ACRD will seek to increase opportunities for:

- Indigenous employment
- Training
- Contracting
- Subcontracting



New: Environmental Considerations

Proposed Addition

The ACRD will include environmental evaluation criteria and specification to support the following goals:

- Reduce greenhouse gas (GHG) emissions;
- Increase energy efficiency;
- Increase biodiversity; and
- Reduce waste.



Updates: Purchasing Authority, Thresholds, and Methods



Purchasing Authority, Thresholds, and Methods

Authority	Previous Approved Expenditure	Proposed Updated Expenditure
All Regional District staff as directed by their supervisor	Below \$500	Below \$5,000
Deputy Fire Chiefs / Leadhand / Volunteer Emergency Planning Coordinator	Up to \$5,000	Up to \$10,000
Managers / Fire Chiefs	Up to \$10,000	Up to \$20,000
General Managers	-	Up to \$35,000
CFO	-	Up to \$50,000
CAO	Up to \$35,000	Up to \$75,000
Board	Above \$35,000	Above \$75,000



Purchasing Authority, Thresholds, and Methods (Cont.)

Method	Previous Associated Expenditure	Proposed Associated Expenditure
Single Quote	Below \$2,500	Below \$10,000.00
2 or More Written Quotes (Formal or Informal)	\$2,500 to \$35,000	Up to \$50,000
Competitive Tender (RFP, RFQ, ITT, Guided Quote Process)	Above \$35,000	Above \$50,000



New: Change Orders – Staff Directed

Proposed Addition

- The CAO may approve contract change orders when each individual change order, and the total combined value of all change orders, does not exceed 10% of the original contract award value, provided the total project cost remains within the approved financial plan budget.
- Change orders exceeding this threshold require Board approval.



Updates: Exempt Expenditures





Exempt Expenditure

Content	Proposed Change
Professional Services including architectural, engineering, legal, planning and accounting services	Architectural, engineering, legal, planning and accounting services
Costs related to court actions or damage claims	No Change
Utility Accounts	No Change
Building Maintenance	Remove
Insurance Premiums	No Change
Salaries, wages, and benefits	No Change
Grant in Aid Payment	No Change
Training, Education, and Travel Expenses	No Change
Purchase of goods for resale	No Change



Section 8. Exempt Expenditure (Cont.)

Proposed Additions

From a public body or a non-profit organization

Health services and social services

when the acquisition is of a confidential or privileged nature and disclosure through an open bidding process could reasonably be expected to compromise government confidentiality, cause economic disruption or be contrary to the public interest

in the absence of a receipt of any bids in response to a call for tenders

Vehicle Purchases



Updates: Sole and Single Source Purchasing



NEW: Sole Source vs Single Source Purchase

Sole Source	Single Source
<p>Procurement of goods and services from one supplier due to:</p> <ul style="list-style-type: none">• lack of competitors in the market.• only one supplier can provide that particular good or service.	<ul style="list-style-type: none">• Procurement of goods and servicing from one supplier despite there being competitors in the market.• Single source procurement is discouraged unless:<ul style="list-style-type: none">○ a valid business case can be made such that entering into a competitive bid process would be detrimental to Regional District operations.



NEW: Sole Source vs Single Source Purchase (Cont.)

Sole Source	Single Source
<ul style="list-style-type: none">• When a solicitation has been publicly issued and either none or only one acceptable response is received.	<ul style="list-style-type: none">• Continuity of service or product consistency is critical, and changing suppliers would result in significant disruption or increased cost.
<ul style="list-style-type: none">• When a Notice of Intent (NOI) has been publicly posted and no reasonable objection has been received.	<ul style="list-style-type: none">• The project is a “follow-up” assignment that is most appropriately done by the original contractor.
<ul style="list-style-type: none">• To ensure compatibility with existing products, facilities or services, to recognize exclusive rights or to maintain specialized products that must be maintained by the manufacturer or its representative.	<ul style="list-style-type: none">• Work is to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work.
<ul style="list-style-type: none">• 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.	<ul style="list-style-type: none">• There is an emergency, as described herein, and the purchase is urgently required as delay would be injurious to the public interest.



Definitions

Proposed Addition

Emergency Circumstance refers to an actual or imminent event or circumstance that poses an immediate threat to the safety, health, or well-being of the community, the environment, or public property. This includes life-threatening situations; disasters that endanger the quality of life or safety of citizens; incidents resulting in loss of life; or events causing significant damage to public infrastructure. Emergencies may arise from unforeseen causes such as accidents, fires, explosions, technical failures, or natural forces, and may require immediate action to prevent irreversible environmental harm or to mitigate further financial loss to the Regional District. Emergency does not refer to circumstances created by project administrative issues, lack of sufficient planning or failure to comply with District policies.



**New: Evaluation
Methodology, Contract
Award, Methods of
Payment, Vendor
Management and
Disqualification Process**



New: Evaluation Methods

Proposed Additions

Procurement will then determine the successful bidder based on one of the following pre-determined selection methods:

- a) Lowest Price:
 - i. Compliant Bid with Lowest Price
- b) Best Overall Value:
 - i. Compliant Bid with Lowest Cost per Point
 - ii. Compliant Bid with Highest Combined Rating of Technical Score and Price
- c) Highest Technical Proposal within Stipulated Budget:
 - i. Compliant Bid with Highest Technical Score within the Provided Maximum Budget



NEW: Awarding and Contracting

Proposed Change to Approval Process

For purchases that require board approval, the following will take place:

1. The project team will prepare a Request for Decision outlining the procurement method, evaluation process, and recommending a preferred and secondary vendor to allow for negotiations if needed.
2. The board may, at its discretion, approve each contract that is brought for award.
3. The Procurement Coordinator will issue draft contract to Preferred Bidder for negotiation.
4. Upon finalization and full execution of contract by the Authorized Signatory, regret notices to unsuccessful bidders will be distributed and contract will be considered fully awarded.



New: Methods of Payment

Proposed Additions

The method of payment will be selected from the following:

a) Single Payment:

- a single payment made to contractor upon satisfactory completion of all work and deliverables.

b) Milestone Payments:

- multiple payments made to contractor upon satisfactory completion of each deliverable when multiple, well-defined deliverables are required.

c) Monthly Payment:

- Regular payments are issued within 30 days of receipt of monthly invoicing from contractor for services rendered within the previous calendar month or other agreed upon times.



New: Vendor Management and Disqualification Process

Proposed Additions

- Vendors may be subject to disqualification if there is sufficient evidence of consistent failure to meet standards specified by the Regional District, for a period of up to 3 years
- Vendors shall be disqualified when:
 - convicted for a criminal offense of a person or a director or official or such person relating to obtaining or attempting to obtain a contract or subcontract or an indication of lack of business integrity or honesty.
 - a vendor/Regional District is currently or has previously engaged in legal proceedings against the vendor/Regional District, or have an unresolved legal dispute that, in the sole opinion of the Regional District, may impair the vendor's ability to perform the contracted work in good faith.
 - there has been a serious breach of contract indicating unwillingness to perform a contract in accordance with the terms and conditions.

Next Steps

- Continuation of discussion at July 23, 2025 Committee-of-the-Whole
- Survey for ACRD staff and Board of Directors
- Draft policy updates presented at August 27, 2025 Board of Directors meeting





Thank you

Questions?