



June 29, 2022

TO: Park Board Chair and Commissioners
FROM: General Manager – Vancouver Board of Parks and Recreation
SUBJECT: Park Board Procurement Policy

RECOMMENDATION

- A. THAT the Vancouver Park Board approve the proposed update of the Park Board Procurement Policy as outlined in this report and attached as Appendix A.
- B. THAT current limits on the Vancouver Park Board and Parks & Recreation staff delegated authority concerning procurement are aligned with the City of Vancouver's limits to reflect best practices and industry standards.
- C. THAT the updated policy referred to in Recommendation A:
 - a. becomes effective immediately;
 - b. the Director of Finance provides a copy of the Policy to the City of Vancouver Supply Chain Management office to ensure alignment and appropriate adoption; and
 - c. the General Manager, Parks & Recreation be authorized to make all such administrative amendments and modifications as are considered appropriate from time to time to the Policy to reflect changes in organizational structure or staff titles and any other elements of the Policy other than the elements which legally delegate authority to the Vancouver Park Board from the Vancouver Park Board to Parks & Recreation staff.
- D. THAT, upon the Park Board Procurement Policy taking effect, the updated Procurement Policy will supersede and replace the current Procurement Policy, including those delegated authorities related to procurement that are contained within the current Procurement Policy approved on April 19, 2010.

REPORT SUMMARY

The purpose of this report is to seek the Park Board's approval of the updated Park Board Procurement Policy, attached as Appendix A, which aligns to the City of Vancouver Procurement Policy, with certain administrative changes related to an increase of the Delegated Authorities as described in this report.

In April 2018, Council approved the [recommended changes](#) to the City's [Procurement Policy](#) and tasked their Director of Finance to work with the Park Board to adopt a similar version of their newly updated Policy. The City of Vancouver Supply Chain Management team administers all aspects of the Park Board's procurement activities.

The proposed changes to the Park Board Procurement Policy considered the work that City of Vancouver staff undertook to update the City's policy and limits in 2018, which included: benchmarking with other municipalities, efficiency impacts, business needs and changes in the business, and financial and regulatory environment. Specific authorities discussed in this report include the Delegated Authority and the Sole Source limits. This report also includes a summary of the most significant procedural changes associated with the recommended policy update.

The proposed changes and the increased limits will facilitate Park Board project delivery and empower Park Board staff with budget responsibilities in line with peers at the City of Vancouver. Additionally, this will align the authority of the Park Board General Manager with that of other Department General Managers across the city. Updating the Park Board policy to align with the City policy will also enhance regulatory compliance and decrease liability exposure and other risks.

BOARD AUTHORITY, POLICY, PREVIOUS DECISIONS/UPDATES

Amendments to established Vancouver Park Board policy and delegated authorities require the approval of the Board.

On October 19, 2020, the Park Board approved the [VanPlay Framework](#), for Vancouver's [Parks and Recreation Services Master Plan](#). VanPlay is the Park Board's decision making guide. Its priorities, tools and policies support the pursuit of equity, connectivity and access to parks and recreation for all. This project aligns with the following VanPlay goals and objectives:

Goal 10: Secure adequate and ongoing funding for the repair, renewal and replacement of our aging parks and recreation system.

Objective G.4.3: Seek alternate funding opportunities (foundation funds, grants, provincial monies, levies, etc.) to diversify the funding stream and support the ongoing enhancement of parks, recreation and nature.

Objective G.7.3: Clarify roles and responsibilities for partnership agreements which simplify working with the Park Board

The Board approved changes to its current [Park Board Procurement Policy](#) on April 19, 2010, to align with changes to the City Procurement Policy approved in December 2009. Further changes to the [City Procurement Policy](#) were approved in April 2018.

BACKGROUND

The Park Board Procurement Policy sets out the requirements for the procurement of goods, services, and construction, as well as the disposition of surplus assets. This Policy includes certain fundamental principles that guide the Park Board toward the goal to achieve the maximum economy, efficiency, effectiveness, and sustainability (social, environmental, and economic). The Supply Chain Management (SCM) division of the Finance, Risk and Supply Chain Management group, overseen by the Chief Procurement Officer, is the administrator of this policy. Following SCM's primary authority, the Park Board General Manager has the primary responsibility for proper administration and enforcement of each contract.

The Board approved its existing [Park Board Procurement Policy](#) in April 2010. In April 2018, City Council approved recommendations presented in the report titled "[Changes to Delegated Authorities and Policies for Procurement and Budgets](#)". The recommendations included a request for the City's Director of Finance to work with the Park Board to adopt a similar version of the

Procurement Policy. Due to variety of factors, including other emerging priorities, staff changes, and the COVID-19 global pandemic, this work was delayed until appropriate time and resources were available.

The outdated Park Board policy significantly differs from the City’s policy, which means SCM staff are currently working with two different policies. Additionally, Park Board contracts may not be included in the City’s e-sourcing system. This could lead to errors and potentially not efficiently processing Park Board’s procurement requests.

As shown in Table 1.0 below, the Park Board levels of Delegated Authority (means Commitment Authority & Signing Authority) are considerably lower when compared to the current City approval levels.

Table 1.0: Procurement Policy Comparison – Delegated Authorities

Current Park Board Procurement Policy Delegated Authorities			Current City of Vancouver Procurement Policy Delegated Authorities		
Total Price	Commitment Authority	Signing Authority	Total Price	Commitment Authority	Signing Authority
Up to \$74,999	SCM Manager	SCM Manager CPO	Up to \$200,000	SCM Manager Dept Manager	SCM Manager
\$75,000 to \$249,999	SCM Manager CPO	SCM Manager CPO	\$200,001 to \$500,000	SCM Manager Dept Director CPO	SCM Manager CPO
\$250,000 to \$499,999	Department GM CPO	Department GM CPO	\$500,001 to \$750,000	SCM Manager Dept Head CPO	SCM Manager Dept Head CPO
\$500,000 to \$1,999,999	Bid Committee Park Board CPO	Bid Committee Park Board CPO	\$750,001 to \$2,000,000	Bid Committee	SCM Manager Dept Head CPO
> \$2,000,000	Park Board Council City Manager Director, Legal Svcs	Council City Manager Director, Legal Svcs	> \$2,000,000	Council	Dept Head CPO City Solicitor

Definitions:

“Commitment Authority”: authority to award a contract; to be approved by all authorities listed (not just one)

“Signing Authority”: authority to execute and deliver the contract; to be signed by all listed.

“CPO”: Chief Procurement Officer

In addition, as outlined in Table 2.0 below, the sole source thresholds are misaligned. Sole source authority provides the authority to commit and execute a contract without competitive bidding.

Table 2.0: Procurement Policy Comparison - Sole Source Threshold

	Current Park Board Procurement Policy	Current City of Vancouver Procurement Policy
Sole Source	\$5,000	\$10,000

Other notable differences between the Park Board and the City Procurement Policy are detailed in Section 3 of the Discussion section below and summarized in Appendix B.

DISCUSSION

The purpose of this report is to update the Park Board Procurement Policy to align with the City Procurement Policy, as it relates to the acquisition of goods, services, and construction and to reflect changes in the current business and financial environment. As the SCM group administers all Park Board’s procurement, the alignment of the two policies is critical. Having the City’s Procurement staff refer to different and misaligned procurement policies allows for higher risk of errors and exposes the Park Board to potential liabilities.

In the development of the proposed new Park Board Procurement Policy (see Appendix A), staff performed an analysis of the current state, identified critical administrative authorities and in the process have consulted key senior stakeholders across the organization, including the City’s Chief Procurement Officer and members of the Park Board’s Extended Leadership Team.

1. Commitment and Signing Authority

The proposed changes to Park Board procurement authorities (see Table 3.0 below) are aligned with the City’s current spending commitment and signing authority levels.

Table 3.0: Comparison of the Delegated Authority between Current & Proposed Policies

Current Park Board Procurement Policy			Proposed Park Board Procurement Policy		
Total Price	Commitment Authority	Signing Authority	Total Price	Commitment Authority	Signing Authority
Up to \$74,999	SCM Manager	SCM Manager CPO	Up to \$200,000	SCM Manager Dept Manager	SCM Manager
\$75,000 to \$249,999	SCM Manager CPO	SCM Manager CPO	\$200,001 to \$500,000	SCM Manager Dept Director CPO	SCM Manager CPO
\$250,000 to \$499,999	Department GM CPO	Department GM CPO	\$500,001 to \$750,000	SCM Manager Dept Head CPO	SCM Manager Dept Head CPO
\$500,000 to \$1,999,999	Bid Committee Park Board CPO	Bid Committee Park Board CPO	\$750,001 to \$2,000,000	Bid Committee Park Board	SCM Manager Dept Head CPO
> \$2,000,000	Park Board Council City Manager Director, Legal	Council City Manager Director, Legal	> \$2,000,000	Park Board Council	Dept Head CPO City Solicitor

2. Sole Source Authorities

Existing Park Board Procurement Policy limits:

- a) Small contracts may be sole sourced up to \$5,000
- b) The CPO may approve emergency sole source up to \$250,000 with concurrence from the Park Board General Manager

Proposed Park Board Procurement Policy limits to align with the City's Procurement Policy (see Table 4.0):

- a) Small contracts may be sole sourced up to \$10,000
- b) The Park Board General Manager may approve emergency sole source up to \$500,000 with concurrence from the CPO.

Table 4.0: Sole Source Limits

Sole Source Authorities	Current Park Board Policy Limits	Proposed Park Board Policy Limits
Small Contracts	\$5,000	\$10,000
Urgent Life & Safety Matter – General Manager	\$250,000	\$500,000

3. Additional changes and highlights

- a) **Maximum Contract Term:** Currently, the Park Board Procurement Policy limits the maximum contract term to five years, which is misaligned with the City of Vancouver Procurement Policy. The proposed change is to authorize the Chief Procurement Officer to set the maximum term in consultation with the Park Board General Manager up to ten (10) years, while the Bid Committee has to approve all contracts with a Maximum Contract Term of ten (10) years or greater.
- b) **Change Orders:** New materiality limits outlined in Table 5.0 will allow Financial Planning & Analysis (FPA) and Supply Chain Management to approve material changes in scope as well as budgets, with major changes above these thresholds continuing to go to Council and/or the Board for approval.

Table 5.0: Materiality Thresholds

Original Total Price	Materiality Thresholds
Under \$500,000	15% of original Total Price
\$500,000 or more	10% of original Total Price

- c) **Living Wage Requirement (new):** CPO will ensure that all contracts that meet Living Wage criteria will require the contractor to:
 - i. Pay no less than Living Wage to all employees
 - ii. Provide City with audit rights to ensure compliance
 - iii. Ensure that the above also apply to all sub-contracts
- d) **Unsolicited Proposals (new):** Unsolicited proposals are typically submitted by third parties wishing to sell/offer certain goods or services to the department, independently from a call for proposals. For further clarity, a Non-Competitive Sponsorship Arrangement, as term defined in the Sponsorship Policy, is NOT considered an Unsolicited Proposal under this Policy

e) **Real Estate Dispositions** (new):

- i. CPO will have sole conduct of administration of Invitation to Offer (ITO) Real Estate dispositions from issuance of the Call document to issuance of an Award
- ii. GM Real Estate and Facilities Management (REFM) will have sole conduct and responsibility for any phases not referred to above
- iii. Pursuant to Vancouver Charter Section 190 and related to Council policy, Real Estate dispositions involving sale of real property in excess of \$400,000 will continue to be approved by 2/3 vote of Council.

A detailed summary of these key proposed changes and additions to the Park Board Procurement Policy can be found in Appendix B. The proposed policy also includes administrative changes, mostly related to definitions and wording, none of which pose a significant change or impact to the Park Board.

OTHER CONSIDERATIONS

The Chief Procurement Officer supports the recommendations in this report. It is appropriate and best practice for organizations to regularly review policies and delegated authorities. It has been a number of years since the last update of the Procurement Policy and Delegated Authorities. Implementation of these updated authorities and policies will improve the efficiency, accountability and transparency of Park Board operations.

CONCLUSION

It has been a long-term practice for Park Board policies to align with the policies approved by City Council, and the Park Board's procurement process has been administered by the City for more than a decade. The proposed updated Park Board Procurement Policy will offer the following benefits:

- **Increased Delegated Authority & Sole Source Limits:** Increased authority levels will help with timely and efficient project delivery (33% reduction in staff time).
- **Increased Maximum Contract Term:** The increased maximum contract term will allow Park Board staff to focus on their core responsibilities by setting longer contracts where beneficial and appropriate and third party operators will gain peace of mind and will be able to make more significant capital investments.
- **Process Standardization:** Standardizing processes will reduce the risk of procurement errors. SCM staff will continue administering Park Board's procurement and will be able to leverage the e-sourcing platform.
- **Ease of Adoption & Communication:** Ease of training for SCM staff and troubleshooting with Park Board staff.
- **Policy Alignment & Content Control:** Park Board aligns with the City while maintaining full control of the content of the policy (SCM staff would still carry out the process).
- **Decreased Liability Exposure:** By aligning with the City's Policy, Park Board will decrease its exposure to liability (Park Board Procurement Policy is outdated).

Additionally, authorizing the General Manager to approve any administrative changes to the policy (position, role, name changes, etc.) will help to keep the document current and functional. Subject

to the Board's approval, the proposed policy, attached as Appendix A, will replace the existing policy approved in April 2010.

General Manager's Office
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VANCOUVER PARK BOARD POLICIES AND PROCEDURES

SUBJECT: Park Board Procurement Policy - PROPOSED UPDATE	
CATEGORY: Board Policy	POLICY NUMBER: <i>to be assigned</i>

1. LEGAL

The Vancouver Charter (and Police Act, Public Library Act, and other applicable legislation) does not permit any employee or officer to purchase or enter into Contracts or dispose of anything owned by the Vancouver Group unless Council or the applicable Board has delegated such authority to such employee or officer in writing. The intent of this policy is that it be approved by the Park Board so as to set out the extent of certain Park Board employees' and officers' restricted legal authority to undertake the actions expressly authorized under this policy.

2. SCOPE

Subject to the approvals and adoptions referred to in Section 1 above, this policy applies to the Park Board.

3. PURPOSE

This policy sets out the requirements for the procurement of goods, services and construction as well as the disposition of surplus assets.

The Park Board, in the performance of the duties and responsibilities assigned to it, must engage in the procurement of goods, services and construction. In order to achieve the maximum economy, efficiency, effectiveness, and sustainability (social, environmental & economic) in the performance of this function, the Park Board has endorsed certain fundamental principles it considers applicable to public purchasing.

4. ADMINISTRATION OF POLICY

The Park Board is the owner of this policy. The Supply Chain Management (SCM) division of the Finance, Risk and Supply Chain Management group, overseen by the Chief Procurement Officer, is the administrator of this policy. Except where separately authorized by a Department Head and City Solicitor, all procurement and disposition activities are to be administered by SCM.

5. ADMINISTRATION OF CONTRACTS

Following SCM's exercise of its primary authority over the Call, and where a Contract results from the Call, the Park Board General Manager will have the primary responsibility for proper administration and enforcement of the Contract, subject to the Legal Services Policy (where a legal enforcement step is required) and subject to this Procurement Policy (where any change to the Contract requires the approval of the Chief Procurement Officer).

6. TRANSACTIONS NOT SUBJECT TO THIS POLICY

The following Contracts and types of transactions are not covered by this policy (but may be governed by other applicable Council & Board policies):

- Purchase of regulated tarified services (e.g., electricity, transmission portion of natural gas, cable, tariff portion of non-wireless telecommunications services);
- Grants or transfers to the City or the Board from other governmental authorities;
- Grants from the City to non-governmental third parties authorized by City Council;
- Tax rebates;
- Grants or donations to the City or the Board from non-governmental third parties;
- Grants, payments, or donations to the City or the Board from non-governmental third parties including agreements having as their primary purpose; sponsorships (except as set out in the Sponsorship Policy), naming rights, or event or sport hosting rights;
- Real property acquisitions (including leases, licences, purchases, easements, and rights of way);
- Real property dispositions where the disposition is not by way of a formal Invitation to Offer (ITO);
- Retaining external legal counsel and related experts (such as expert witnesses) in the course of providing legal advice to the Park Board;
- Library media including books; and
- Non-Competitive Sponsorship Arrangements as defined in the Sponsorship Policy except to the extent that the Sponsorship Policy expressly incorporates by reference this Policy into its provisions on Non-Competitive Sponsorship Arrangements.

7. INTERPRETATION & DEFINITIONS

A. Interpretation

- a) All references in this policy to an employee, official, officer or other representative of the Park Board is deemed to include any designate, deputy, or anyone else properly authorized in writing or by Council or the Board resolution to act in that person's position.
- b) Where a position title or name is changed following the adoption of this policy, due to a re-organization of the Park Board's functions, or for any other reason, the Park Board General Manager will have the authority to amend this policy to reflect such change or re-organization.
- c) The City Manager will have the authority (in consultation with the Director of Finance, City Solicitor, and Chief Procurement Officer) to approve (in writing) any request from any Department Head for authority to sub-delegate any authority granted in this policy to a Department Head.

B. Definitions - In this policy, the following terms have the following meanings:

Award: The decision by a Vancouver Group member (as authorized by this policy) to enter into a Contract.

Best Value: The optimal combination of Total Cost of Ownership, economic sustainability, environmental sustainability, social sustainability, reduced carbon dependency, and zero waste as determined in accordance with the specific criteria and weighting for each criterion established by the Vancouver Group for the applicable procurement and for Revenue-Generating Contracts and dispositions the highest Total Price after discounting for all applicable criteria being utilized for the Call, such as security for payment, risk of default, social and environmental factors, etc.

Bid: Depending on the type of Call, either:

- a) a legally binding tender or quotation which upon written acceptance by the Vancouver Group, automatically creates a Contract, or:
- b) a non-binding quotation or proposal which forms a basis of a negotiated Contract, or
- c) any non-binding pre-qualification submission or expression of interest or request for information which may form the basis of a subsequent Call.

Bid Committee: The bid committee established under Section 12 of this policy.

Bidder: Any legal entity submitting a Bid in response to a Call.

Call: Any request or invitation by the Vancouver Group for a Bid (for example, requests for proposal, requests for expressions of interest, invitations to tender, invitations to quote, invitations to offer).

Chief Constable: The person appointed by the Vancouver Police Board as the Chief Constable pursuant to the *Police Act*.

Chief Librarian: The person appointed by the Vancouver Public Library Board as the Chief Librarian pursuant to the *Public Library Act*.

Chief Procurement Officer: The person designated from time to time by the City Manager to oversee and lead Supply Chain on behalf of the Vancouver Group.

City Affiliates: Means the following affiliates of the City of Vancouver, Vancouver Economic Commission, Vancouver Affordable Housing Agency Ltd., Vancouver Public Housing Corporation, Vancouver Civic Development Corporation, Harbour Park Development Corporation, The Hastings Institute Inc., and the Pacific National Exhibition.

City Engineer: The person appointed by Council pursuant to section 288 of the *Vancouver Charter* as the City Engineer.

City Manager: The person appointed by Council pursuant to section 162A of the *Vancouver Charter* as the City Manager.

City Solicitor: The person appointed by Council as the City Solicitor.

Contract: A Contract for the purchase by the Vancouver Group of goods, services or construction or for the disposition of assets by the Vancouver Group. For further certainty, a Contract includes documents that create or modify or may create or modify legal rights and obligations:

- purchase order
- work order
- change order
- memorandum of understanding, letter of understanding, letter of intent, or similar
- standing offer
- supply arrangement
- notice or other communication to a prospective supplier prior to a Contract, including notice to award, conditional notice to award, notice or permission to proceed or start work prior to Award or Contract
- assignment or consent to assignment of a Contract
- security for performance of a Contract such as a letter of credit, bond, insurance, deposit, security interest, and other financial instruments,
- Sponsorship Agreements resulting from Competitively Procured Sponsorship Arrangements (both as defined in the Sponsorship Policy), and
- renewals, extensions, modifications or amendments to any of the above.

Commitment Authority: The authority to Award a Contract.

Construction: Construction, reconstruction, deconstruction, demolition, repair or renovation of a building, structure, infrastructure 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, infrastructure 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 Contract (for example a design-build Contract).

Co-operative Purchasing: Procurement by the Vancouver Group in cooperation with other Public Sector Entities.

Department Head: Any of the following officials:

- a) any General Manager, and
- b) in the case of a City Affiliate, the CEO or such other director or officer of the affiliate who has been delegated signing authority for the applicable Contract by the City Affiliate's board.

Department Manager: An employee who reports to a Department Head where that Department Head has expressly delegated to that employee (or employee's position) the Commitment Authority referred to in Row 2 of Table 1 of this Procurement Policy.

Department Director: An employee who reports to a Department Head where that Department Head has expressly delegated to that employee (or employee's position) the Commitment Authority referred to in Row 3 of Table 1 of this Procurement Policy.

Director of Finance: The person appointed by Council pursuant to section 210 of the *Vancouver Charter* as the Director of Finance.

Economic Sustainability: Providing and enhancing the services, infrastructure and conditions that sustain healthy, diverse and resilient local economy in which businesses of all sizes, and their employees, can flourish.

Environmental Sustainability: Protecting and enhancing the climate, ecology and natural resources for future generations through approaches that reduce carbon dependency, enhance energy resilience, conserve energy and resources and reduce waste and toxins.

Extension: Any extension or renewal or other amendment to a Contract which results in the Maximum Contract Term being lengthened (and "Extend" will have the analogous meaning).

Fire Chief: The person appointed by Council pursuant to section 309 of the *Vancouver Charter* as the City's fire chief.

Funding Authority: Means that there is sufficient and authorized budget for the Contract anticipated by the Call and that the funding is confirmed and approved for expenditure:

- a) with respect to the City of Vancouver and City Affiliates, in full compliance with the Capital Budget Policy ([ADMIN-005](#)) and Operating Budget Policy ([ADMIN-004](#)),
- b) with respect to the other Vancouver Group members, in full compliance with their capital and operating budget policies, and
- c) with respect to all Vancouver Group staff, in full compliance with the expenditure limits and controls outlined in the Expenditure Authority and Financial Control policy.

General Manager: The members of the City Leadership Team, including the City Manager, Deputy City Manager, City Engineer, Director of Finance, Chief Constable, Fire Chief, Chief Librarian, Park Board General Manager, City Solicitor, Chief Human Resources Officer, General Manager of Arts, Culture & Community Services, General Manager of Real Estate and Facilities Management, General Manager of Planning, Urban Design, and Sustainability, General Manager of Development, Buildings, and Licensing, and Director of Corporate Communications.

ITO Real Estate Disposition: A Call for Bids to purchase or lease Vancouver Group-owned real property where the Call potentially creates Contract "A" obligations on the City (or Board).

Living Wage: The hourly wage established by the Living Wage for Families Campaign from time to time, which includes:

- a) direct wages; and

- b) the value of any non-mandatory benefits such as paid sick leave, employer-paid Medical Services Plan premiums and extended health benefits.

Living Wage Employee: Any and all employees of a vendor and subcontractors of vendors that perform services on a property owned by or leased to the City for at least one consecutive hour, but excluding Students, volunteers and employees of Social Enterprises.

Maximum Contract Term: Means the maximum years (including all options to extend or rights of renewal) in respect of a Contract as set by this policy.

Park Board General Manager: The person appointed as the General Manager of Parks and Recreation.

Permitted Sole Source: A sole source Contract of the type described in section 9.1 below.

Person with Barriers to Employment: a person who faces one or more circumstances that can lead to underemployment or unemployment.

Public Sector Entities: Other municipal, regional, provincial, federal, or governmental authorities or entities carrying out a public function.

Reduced Carbon Dependency: Reduction in the amount of carbon emitted in the operation, maintenance and disposal of goods and services purchased.

Response: The submission of a bid in response to a call.

Revenue-Generating Contract: Any Contract which requires or contemplates revenues derived from the Contract to be paid to the City.

Signing Authority: The authority to execute and deliver the Contract.

Social Enterprise: A business that:

- a) is owned by a non-profit organization or community services co-operative;
- b) is directly involved in the production and/or selling of goods and services for the combined purpose of generating income and achieving social, cultural, and/or environmental aims; and
- c) has a defined social and/or environmental mandate.

Social Sustainability: Cultivating and sustaining vibrant, creative, safe, affordable and caring communities for the wide diversity of individuals and families who live in, work in and visit Vancouver and beyond. For a community to be socially sustainable the basic needs of its residents must be met, it must be able to maintain and build on its own resources and prevent and/or address problems as they arise.

Solicitation: The process of communicating the call to prospective bidders.

Student: An individual who is enrolled in a school, college, university or other educational institution and is employed by a vendor or a subcontractor of a vendor, as the case may

be, to obtain practical workplace experience as a requirement of or credit for their education.

Supply Chain: The Supply Chain Management, Warehouse Operations, Inventory and Logistics division within the Finance, Risk & Supply Chain Management group of the City of Vancouver.

Supply Chain Manager (SCM Manager): The position within Supply Chain, designated by the Chief Procurement Officer to conduct and oversee procurement, warehousing and logistics activities on behalf of the Vancouver Group.

Sustainability: Meeting the social, environmental and economic needs of the present without compromising the ability of future generations to meet their needs.

Total Price: The estimated Total Price payable for all goods, services, and construction under the Contract over the entire term of the Contract (but not including options to purchase additional goods or services during the term which may or may not be exercised; nor including the value of goods, services and construction for any renewed optional Contract term, and not including any sales or other taxes payable). For Revenue-Generating Contracts, the estimated or anticipated gross revenue to be received by the City over the Maximum Contract Term. For dispositions or sales of assets, the estimated total price payable by the purchaser to the City for the asset.

Total Cost of Ownership: The direct social, environmental and financial costs and benefits to the City of products, construction and services during their acquisition, use and end-of-life phases (i.e. lifecycle costs) including factors such as transportation emissions, training, economic development impacts, energy consumption, disposal and other related costs after taking into account sustainability, reduced carbon dependency, and zero waste.

Unsolicited Proposals: An unsolicited proposal received by the City or the Board independently of a Call. Unsolicited Proposals are typically submitted by third parties wishing to sell certain goods or services to the Vancouver Group. For further clarity, a Non-Competitive Sponsorship Arrangement, as defined in the Sponsorship Policy, is not an Unsolicited Proposal under this Policy.

Zero Carbon: Eliminating the dependence on fossil fuels and minimizing the release of greenhouse gases by reducing energy demand and converting to renewable energy sources and low carbon fuels.

Zero Waste: Eliminating solid waste by reducing the demand for new goods and materials, reusing old goods, materials and component parts and recycling and composting remaining materials. Residual waste is minimal.

8. POLICY STATEMENTS

1. Goals

- 1.1. An open, transparent, competitive procurement process that:
 - provides Best Value for the Park Board and its citizens;

- minimizes Total Cost of Ownership;
 - incorporates wherever possible, sustainable and ethical procurement considerations as integral evaluation components considerations in supply selection;
 - applies leading practices; risk mitigation strategies and strong financial controls to the procurement process.
- 1.2. Ensure compliance with the City's and the Board's policies and by-laws, the *Vancouver Charter*, collective agreements, inter- provincial, national, and international trade agreements that are binding on the City and all other provincial and federal laws and regulations that apply to the procurement of goods, services and construction.
- 1.3. Maximize Best Value and minimize Total Cost of Ownership by:
- 1.3.1. ensuring that the Park Board utilizes Supply Chain to conduct all Calls and wherever possible avoid sole source Contracts and avoid Calls that do not utilize the expertise of Supply Chain,
 - 1.3.2. ensuring that the terms of Contracts, and the frequency with which the Park Board undertakes competitive Calls for each category of goods, services or construction is optimized to obtain Best Value and minimize Total Cost of Ownership.

2. References

- 2.1. This policy must be read and applied in conjunction with the following related policies:
- Operating Budget Policy ([ADMIN-004](#));
 - Capital Budget Policy ([ADMIN-005](#));
 - The Energy Efficiency Purchasing Policy ([AF-013-01](#))
 - The Ethical Purchasing Policy ([AF-014-01](#)) - demonstrates a commitment to sustainability by seeking to ensure safe and healthy workplaces for the people who make products for the City, where human and civil rights are respected;
 - A Supplier Code of Conduct - sets the minimum performance standards for the City's suppliers ([AF-0140-P1](#));
 - The Purchasing Card Policy and Procedure ([AF-010-01](#));
 - City's Code of Conduct Policy ([AE-028-01](#))
 - Sponsorship Policy ([COUN-029](#))

3. City Solicitor Requirements

- 3.1. All Contract, Call, and Award documents, will be on standardized templates with standard terms and conditions approved by the City Solicitor. Any deviation from the standardized terms and conditions or any material deviation from the approved use of

such documents requires the prior review and approval of the City Solicitor.

- 3.2. The concurrence of the City Solicitor is required on the Award of any Contract which has a Total Price in excess of \$2,000,000.
- 3.3. Any continuous or repetitive series of Contracts that appear to be structured so as to avoid the approval requirements set out in this policy will be reviewed by the Chief Procurement Officer and reported to the City Solicitor.

4. Competitive Bidding and Maximum Contract Term

4.1. *General Policy is Open, Public Competitive Procurement*

Except where otherwise permitted in this policy, the Park Board will procure all Contracts through an open, public, competitive Call.

4.2. *General Policy is to Limit Contract Term to Maximize Competitiveness*

In furtherance of Sections 1, 3.1 and 12, the Chief Procurement Officer will set the Maximum Contract Term for each Call, in consultation with the Department Head. For proposed Maximum Contract Terms of ten (10) years or greater, such terms will be approved by Bid Committee before Calls being issued by the Chief Procurement Officer. In the event of any disagreement, the Bid Committee will determine the Maximum Contract Term.

4.3. *No Public Call on Purchases \$75,000 (\$200,000 for Construction) or Less*

The Chief Procurement Officer will endeavor to obtain three bids for Contracts that are expected to have a Total Price of no more than \$75,000 for goods and services and no more than \$200,000 for construction. The Chief Procurement Officer's office may obtain prices from internal price records or sources or solicit prices from known suppliers.

4.4. *Public Calls on Purchases over \$75,000 (\$200,000 for Construction)*

The Chief Procurement Officer will endeavor to procure Contracts that are expected to have a Total Price of more than \$75,000 for goods and services and more than \$200,000 for construction through a public Call. Solicitation will be by way of posting the Call particulars through an electronic bidding system accessible to the general public. In addition to posting through the electronic means, local, regional, national, or international advertising may be carried out at the discretion of the Chief Procurement Officer where it is deemed appropriate.

5. Call Issuance Authority and Commitment Authority Limits

- 5.1. Except where expressly granted under this policy or the Sponsorship Policy, only the Council or Board having jurisdiction has Commitment Authority, Signing Authority, or the authority to issue a Call.
- 5.2. Subject to Section 5.3, the Chief Procurement Officer has the exclusive authority to issue any Call once Funding Authority is established. However, for any Call that is designed to procure multiple Contracts (for example requests for standing offers, requests for applications, multiple vendors or split Awards) which are reasonably estimated to exceed \$750,000 in aggregate, such Calls will be approved by the Bid

Committee before being issued by the Chief Procurement Officer with subsequent Commitment Authority and Signing Authority for each Award being authorized in accordance with Table 1.

- 5.3. Despite Section 5.2, the authority to issue any Call for a Sponsorship is governed by Sections 6(7.2) and 6(10.1) of the Sponsorship Policy.
- 5.4. Each of the following members or committee of the Vancouver Group set out in Table 1 below has the following Commitment Authority, subject to the following conditions:
- (a) The Contract does not exceed the Total Price indicated in Table 1 below for the member or committee.
 - (b) The Contract term does not exceed the Maximum Contract Term.
 - (c) There is Funding Authority for the Contract.
 - (d) The member or committee or the Chief Procurement Officer has determined in good faith that the Contract represents Best Value to the Vancouver Group based on the criteria set out in the Call documents.
 - (e) Where the Total Price is over \$2,000,000, the City Solicitor has concurred on the Award.

Table 1 – Commitment Authority and Signing Authority

Total Price	Commitment Authority <i>Award to be approved by ALL listed in respective price range (not by just one)</i>	Signing Authority <i>Contract to be approved by ALL listed in respective price range (not by just one)</i>
Up to \$200,000	- SCM Manager - Department Manager	- SCM Manager
\$200,001 - \$500,000	- SCM Manager - Department Director - Chief Procurement Officer	- SCM Manager - Chief Procurement Officer
\$500,001 - \$750,000	- SCM Manager - Department Head - Chief Procurement Officer	- SCM Manager - Department Head - Chief Procurement Officer
\$750,001 - \$2,000,000	- Bid Committee - Park Board	- SCM Manager - Department Head - Chief Procurement Officer
Greater than \$2,000,000	- Park Board - Council	- Department Head - Chief Procurement Officer - City Solicitor

- 5.5. Awards that do not meet the criteria set out in Section 5.4 above must be approved by the City Manager if Total Price is \$750,000 or less and by Council if over \$750,000.

6. Signing Authority

- 6.1. Contracts that required the approval of the City Solicitor pursuant to Section 3 [City Solicitor Requirements] of this policy must be signed by the City Solicitor in addition to the authorized signatories referred to in Table 1 above.

7. Change Orders (and any Other Changes to Contracts)

- 7.1. This section sets out the limited authority to make any change to any Contract governed by this policy.

- 7.2. The authority set out in this section is separate and apart from Funding Authority restrictions on capital and operating budget transfers.

- 7.3. **Under Limit Changes** - Where a change to a Contract will increase the Total Price but not in excess of the Funding Authority and the change in Total Price will not exceed the materiality thresholds set out in Table 2 below (in the aggregate taking into account all prior changes), the change will be authorized if one of the following conditions are met:

The change is on a form or template:

- (i) approved by the City Solicitor and then completed and approved to the satisfaction of the Chief Procurement Officer; or
- (ii) completed and approved in its completed form by the City Solicitor.

- 7.4. **Over Limit Changes** - Where a change to a Contract will increase the Total Price but not in excess of the Funding Authority and the change in Total Price will exceed the materiality thresholds set out in Table 2 below (in the aggregate taking into account all prior changes), the change will be authorized if the following conditions are met:

The change is on a form or template:

- (i) approved by the City Solicitor and then completed and approved to the satisfaction of the Chief Procurement Officer; or
- (ii) completed and approved in its completed form by the City Solicitor,

AND

The change document is approved and signed by the Vancouver Group person or body set out in Table 1 as having the requisite Commitment Authority and Signing Authority for the change (except that "Total Price" is to be read as "change in Total Price" for the purposes of this section).

Table 2 – Materiality Thresholds

Original Total Price	Materiality Thresholds
Under \$500,000	15% of original Total Price
\$500,000 or more	10% of original Total Price

- 7.5. **Limits are Cumulative** - The above materiality thresholds are cumulative and apply

to all changes to the Total Price over the term of the Contract and not merely to each individual change.

- 7.6. **Over Funding Authority** - Changes to Contracts that increase the Total Price beyond the Funding Authority require further Funding Authority prior to being authorized under this section.

8. Contract Renewals / Extensions

- 8.1. Contracts may not be Extended past the Maximum Contract Term except in accordance with this section 8.
- 8.2. Contracts may only be Extended where one of the following conditions are met:
- 8.3. The Extension is a Permitted Sole Source.
- 8.4. There is (or is about to be) a new Call for the goods or services being provided under the expiring Contract and the Extension is approved by the Chief Procurement Officer so as to provide time to complete the new Call.

9. General Exceptions to Competitive Process – Permitted Sole Source

- 9.1. Permitted Sole Source

Despite Section 4.1 above, competitive bidding is not required and a Contract may be sole sourced (“Permitted Sole Source”) if

- (a) **Urgent Life & Safety Matter** - all of the following conditions have been met:
- (i) the City Manager (if the Total Price exceeds \$500,000) or the Park Board General Manager (if the Total Price is not more than \$500,000) has determined that goods, services or construction are urgently required and bypassing the City’s competitive procurement process is, in the City Manager’s/Park Board General Manager’s determination, reasonably necessary to protect human, animal or plant life or health;
 - (ii) the Chief Procurement Officer has received written confirmation of the City Manager’s/Park Board General Manager’s determination in section i. above;
 - (iii) The Chief Procurement Officer posts (as soon as practical in the circumstances) a Notice of Contract on the City web-site or such other public forum as the Chief Procurement Officer may deem appropriate, advertising the City’s decision to enter into a Contract without a public competitive procurement process
 - (iv) The form of Contract has been approved by the City Solicitor; and
 - (v) The Contract is approved and executed in accordance with Table 1 (Commitment Authority and Signing Authority) according to the Total Price of the sole source Contract, except that where the approving authority is City Council or Bid Committee, the Contract may instead be approved and signed by the City Manager and Chief Procurement

Officer (if over \$500,000) or Park Board General Manager and Chief Procurement Officer (if not over \$500,000),

- (b) ***Single-Supplier or Other Exigent Circumstances Precluding an Effective Competitive Procurement*** all of the following conditions have been met:
- (i) The Chief Procurement Officer or City Solicitor has determined that the contemplated sole source will obtain Best Value for the Park Board and will not violate any applicable trade agreement governing the Vancouver Group;
 - (ii) The Chief Procurement Officer has posted (for at least 14 days or such longer period as the Chief Procurement Officer considers appropriate in the circumstances) a Notice of Intent to Contract on the BC Bid and/or City web-site or such other public forum as the Chief Procurement Officer may deem appropriate, advertising the City's or the Board's intent to enter into a contract without a public competitive procurement process (except where the contemplated sole source is of a confidential or privileged nature and disclosure could reasonably be expected to compromise Park Board confidentiality, cause adverse economic consequences, or otherwise be contrary to the public interest);
 - (iii) No complaints or concerns have been lodged in response to the Notice of Intent to Contract referred to in Section 9.1(b) (or if there have been any such communications, the person or body referred to in Table 1 as having the requisite Commitment Authority has reviewed such communications and has authorized the sole source to proceed);
 - (iv) The form of Contract has been approved by the City Solicitor; and
 - (v) The Contract is approved and executed in accordance with Table 1 as to Commitment Authority and Signing Authority according to its Total Price;
- (c) Where the Total Price does not exceed \$10,000, the Contract is on a Law-approved template or otherwise approved by the City Solicitor, and the Chief Procurement Officer is satisfied that the Total Price is Best Value;
- (d) The purchase is of 'goods via auction', used goods or distress sale goods, the Chief Procurement Officer is satisfied that the Total Price is Best Value, the terms of the Contract have been approved by the City Solicitor, and the Contract has been approved and executed in accordance with Table 1 as to Commitment Authority and Signing Authority according to its Total Price; or
- (e) The sole source purchase is made by a Park Board employee using an employee credit card in strict accordance with the Vancouver Group's policy on the use of such credit cards. See the Corporate Purchasing Cards Policy ([AF-010-01](#)).

10. Monitoring, Review and Reporting

- 10.1. Application of the Park Board's Procurement Policy will be monitored and reviewed by the Chief Procurement Officer, who will annually report to the Corporate Leadership

Team and City Council on the procurement activities of the Vancouver Group for the previous year.

11. Sustainable and Ethical Procurement

- 11.1. Sustainable and Ethical Procurement aligns the Vancouver Group's overall approach to procurement with its Corporate Long-Term Priorities related to people, prosperity and the environment as expressed in the Corporate Strategic Business Plan.
- 11.2. The Park Board intends to formally recognize and reward within the supplier selection process excellence and innovation among suppliers who demonstrate leadership in sustainability, environmental stewardship and fair labour practices.
- 11.3. The Park Board is committed to safe and ethical workplaces, where human and civil rights are respected. The Park Board will endeavor to ensure that all its suppliers meet and where possible, exceed the performance standards outlined in the Supplier Code of Conduct.
- 11.4. The Park Board is committed to maximizing benefits to the environment and minimizing costs to the Park Board through product and service selection. The Park Board will set minimum specifications for goods and services that achieve environmental benefits such as increased energy and resource efficiency, reduced toxicity and pollution, reduced carbon dependency, zero waste and other environmental attributes. Minimum specifications for key product and services categories will be maintained and updated and periodically presented to Council for endorsement.
- 11.5. The Park Board will use, where appropriate, an evaluation model that incorporates the Total Cost of Ownership of products and services including environmental, social and economic costs and benefits (where reasonably quantifiable). These costs will be factored into the vendor pricing, evaluation and selection process.
- 11.6. The Park Board will give preference where feasible, to products and services that represent a non-carbon alternative, are carbon neutral or that minimize greenhouse gas emissions and thereby contributes to reducing the carbon footprint of the Park Board.
- 11.7. The Park Board will work collaboratively with suppliers to advance environmental performance of products and services and ensure compliance with the Vancouver Group's Supplier Code of Conduct.
- 11.8. The Park Board will select suppliers based on value for money in terms of the supplier's overall social and environmental performance and the social and environmental attributes of the goods and/or services. Efforts to reduce the overall environmental impacts of their operations and any efforts to advance sustainable and ethical purchasing in the marketplace, above and beyond the minimum requirements of this policy
- 11.9. Within the limits set out by applicable trade and investment legislation, and the Vancouver Charter, the Park Board will seek to identify opportunities where procurement activities may serve to leverage the Park Board goals related to local

economic development and, in particular, support the development of an environmentally sustainable local economy. The Park Board will actively work with the supplier community and economic development agencies to identify and capitalize on such opportunities and catalyze industry relationships through hosting supplier forums, creating opportunities for dialogue with existing and potential suppliers and related outreach programs.

- 11.10. Where opportunities exist, the Park Board will work with other organizations (e.g. municipalities) on monitoring and verification processes to ensure suppliers adhere to all applicable legal requirements and trade agreements.

12. Living Wage

- 12.1. This Section shall apply to service Contracts where:

- the estimated annual value of the Contract is greater than \$250,000;
- the services are to be performed on properties owned by or leased to the City or the Board, including all streets, sidewalks and other public rights of way; and
- the services are provided on a regular, ongoing basis and the contractor is expected to perform the services for greater than 120 hours per year of the Contract,

but shall exclude:

- emergency or non-recurring repairs or maintenance services where no standing Contract is in place;
- services performed by organizations pursuant to a lease of City or the Board's property; and
- Contracts with social enterprises.

- 12.2. The Chief Procurement Officer shall ensure that all Contracts that meet the criteria set out in Section 12.1 require the contractor to:

- i. pay no less than the Living Wage to all Living Wage Employees
- ii. provide the City or the Board with sufficient audit rights to confirm compliance with Section 12.2(i); and
- iii. ensure that the requirements of section 12.2(i) and 12.2(ii) also apply to any of the contractor's subcontractors.

- 12.3. Any exception to this Section 12 must be approved in writing by the General Manager of Finance following a request from the Chief Procurement Officer.

13. Bid Committee/Chief Procurement Officer

- 13.1. Establishment of the Bid Committee

The Bid Committee will be established which will consist of the following representation:

- (a) The City Manager
- (b) The Director of Finance
- (c) Any Department Head whose budget will be totally or partially funding the recommended Award that is before the Committee at any given meeting (in this Section 12 a "Voting Department Head").

13.2. A Voting Department Head referred to in Subsection 13.1(c) is only entitled to vote in respect of an Award referred to in that Subsection 13.1(c).

13.3. A quorum of the Bid Committee will be two voting members.

13.4. All business and decisions of the Bid Committee will be posted on a publicly available source subject to the confidentiality provisions of the Call documents, the *Freedom of Information and Protection of Privacy Act*, and any other applicable law.

13.5. Authority of the Bid Committee

Subject always to the limits set out in Table 1 of section 5 above, the Bid Committee is authorized to make an Award of a Contract(s) in respect of a Call, if all of the following conditions are met:

- The Chief Procurement Officer, after consulting with the Voting Department Head(s) has recommended the Award in the report submitted as being in compliance with the terms of the Call;
- All voting members of the Bid Committee who are present at the meeting vote in favor of the Award.

13.6. Extended Authority of Bid Committee During Council/Board Recess

Where an Award is required to be authorized by Council or the Board and is being considered for approval by Bid Committee at a time when Council or the Board is not scheduled to meet for another 4 weeks (as measured from the date the matter is brought to Bid Committee) such as for example (but without limitation) during the summer recess or winter holiday recess, the Bid Committee is authorized to make the Award on behalf of Council or the Board.

13.7. If the Bid Committee makes an Award under subsection 13.6, the Award will be reported by the Chief Procurement Officer to Council at the next scheduled Council meeting and by the Finance Director to the Board at the next scheduled Board meeting.

13.8. The Bid Committee will meet on an as needed basis to make Awards. Any Award may be referred to Council/Board at any time in the Bid Committee's sole discretion.

13.9. Chief Procurement Officer

The Chief Procurement Officer will have the authority and be responsible for:

- Determining, in accordance with policies and directives as may be adopted or

provided from time to time by Council, the appropriate form and method by which all goods, services and construction will be procured and by which surplus assets will be disposed of on behalf of the City or the Board, including the form of any Call document or Contract (provided it is also approved by the City Solicitor), the circumstances and means for the pre-selection of goods and services, the pre-qualification of Bidders, and the delegation to any Vancouver Group member of any aspect of the procurement process.

- Compiling and maintaining a compendium of all policies adopted by the Vancouver Group from time to time affecting the procurement process and communicating such policies to Bidders and all staff involved in the procurement process.
- The solicitation of Bids for the acquisition of goods, services or construction; the disposition of surplus assets; as well as real property dispositions related to ITOs.
- Determining the method and scope of solicitation, including, without limitation, by public advertising, mailing invitations, posting notices, telecommunicated messages or any combination or all of these.
- Scheduling the place, date and time for the receipt and opening of Bids.
- Determining whether recommendations for an Award should appropriately go to the Bid Committee or Council or Board as the case may be and as determined by this policy.
- Reporting to the Bid Committee on all Bids where the Bid Committee has authority to make an Award.
- Providing advice and support to the Bid Committee.
- Reporting on, along with the Voting Department Head, all Bids which must be reported to Council or the appropriate Board.
- Generally monitoring, supervising and reporting to the City Leadership Team as required from time to time, on the procurement process.
- Acting on behalf of other public bodies when requested to do so by such bodies and where authorized by this policy or Council.
- Drafting and finalizing procedures and guidelines in respect of any aspect of the procurement process, including any of the listed responsibilities of the Chief Procurement Officer in this section, and ensuring appropriate communication of such procedures and directives to staff and to the public.
- Undertaking a comprehensive review of this policy and all policies affecting the procurement process every five years.

13.10. Authority of Chief Procurement Officer to Pre-Select and to Pre-Qualify The Chief Procurement Officer will be authorized to determine:

- The selection of specified equipment and materials, if required in the opinion of the Department Head, for incorporation in any Call; and
- In consultation with the Voting Department Head, those Bidders meeting the requirements of any pre-qualification Call as a basis for the issuance of any subsequent Call for the submission of Bids.

13.11. Chief Procurement Officer and Opening of Responses

- Responses received by the Chief Procurement Officer in the location specified in the Call before the time stipulated for receipt will be opened by the Chief Procurement Officer or designate at the time and location specified in the Call, and the names of the Bidders will be recorded.
- The prices contained in Bids will also be recorded but only where deemed appropriate in the sole discretion of the Chief Procurement Officer.

13.12. Cancellation of Calls

The Chief Procurement Officer will be authorized to cancel any Call (including those with respect to Sponsorships as defined in the Sponsorship Policy) where:

- (a) There is a request by the Voting Department Head and responses are greater than the Funding Authority for the Award in respect of the Call; or
- (b) In the opinion of the Chief Procurement Officer or the Voting Department Head:
 - (i) A change in the scope of work or specifications is required and therefore a new Call should be issued; or
 - (ii) The goods, services or construction to be provided by the Call no longer meet the Vancouver Group's requirements; or
- (c) In the opinion of the Chief Procurement Officer the integrity of the Call process has been compromised.

14. Surplus Asset Disposal

14.1. If any materials or equipment owned by the Park Board are declared by the Park Board General Manager having control over them to be surplus to present and future department requirements, and are declared by the Chief Procurement Officer to be surplus to present and future corporate requirements, the Chief Procurement Officer may either dispose of the materials or equipment by public auction or solicitation deemed appropriate by the Chief Procurement Officer in the circumstances.

14.2. Funds received for the disposal of surplus materials and equipment will be credited back to the Park Board cost center where the asset originated from prior to being declared surplus.

- 14.3. In exceptional circumstances, surplus assets may be transferred gratuitously to a not-for-profit organization or public agency or sold at less than fair market value when, in the opinion of the Chief Procurement Officer, such action serves the public interest better than sale on the open market, provided always that the Contract transferring the asset is signed by the City Manager and City Solicitor.
- 14.4. Surplus assets will be segregated for reuse or recycling and those, which are classified as electronic waste, will be recycled according the appropriate governing guidelines for e-waste and in a manner that ensures that toxic products are not sent to landfill.

15. Co-operative Purchasing

- 15.1. The Chief Procurement Officer may participate in Co-operative Purchasing.
- 15.2. All Call documents and Contracts relating to Co-operative Purchasing must be reviewed and approved by the City Solicitor prior to the Chief Procurement Officer participating in a Co-operative Purchasing process.
- 15.3. Subject to Sections 15.1 and 15.2, the provisions of this policy apply to the rights and obligations assumed by the Park Board with respect to any Co-operative Purchasing process.

16. Unsolicited Proposals

- 16.1. All Unsolicited Proposals are to be forwarded to and reviewed by the Chief Procurement Officer.
- 16.2. The Chief Procurement Officer must review each Unsolicited Proposal and assess same applying the following criteria:
 - (a) The Unsolicited Proposal appears to offer something unique or innovative that the Park Board does not typically acquire by way a Call,
 - (b) The Unsolicited Proposal appears to offers something that is aligned with the City's or the Board's corporate and policy goals.
- 16.3. Where the Unsolicited Proposal does not, in the Chief Procurement Officer's view, satisfy both of the criteria in section 16.2, it will be rejected and notice of same to the third party who submitted it will be issued by the Chief Procurement Officer.
- 16.4. Where the Unsolicited Proposal does, in the Chief Procurement Officer's view, satisfy both of the criteria in section 16.2, it will be forwarded to the Park Board General Manager and/or an appropriate committee for comment and decision.
- 16.5. Upon receipt of a report pursuant to section 16.4, the Park Board General Manager and/or an appropriate committee will review and then decide to either:
 - (a) Not pursue the proposal;
 - (b) Instruct the Chief Procurement Officer to issue a Call seeking market responses to the goods and services being offered; or

- (c) Instruct the Chief Procurement Officer to pursue the Unsolicited Proposal as a Permitted Sole Source.

17. Real Estate Dispositions

- 17.1. Except as set out in this Section 16, this policy applies to all ITO Real Estate Dispositions, with all such changes as are necessary to apply this policy to a disposition as opposed to an acquisition.
- 17.2. Subject to Section 17.3, the Chief Procurement Officer will have sole conduct of the administration of all ITO Real Estate Dispositions from issuance of the Call document through to issuance of an Award.
- 17.3. The General manager of Real Estate will have sole conduct and responsibility for all ITO Real Estate Dispositions during all phases not referred to in Section 17.2. All Call documents (including the evaluation matrix) and Contracts relating to ITO Real Estate Dispositions must be prepared, reviewed and approved by the City Solicitor and General Manager of Real Estate (or equivalent if an external Board) prior to submitting same to the Chief Procurement Officer.
- 17.4. The Chief Procurement Officer may be consulted on all aspects of the ITO Real Estate Disposition not referred to in Section 17.2 and must review and approve all Call documents (including the evaluation matrix) and Contracts upon receipt of same from the General Manager of Real Estate and City Solicitor.
- 17.5. Pursuant to the Vancouver Charter, Section 190 and related Council policy all ITO Real Estate Dispositions involving sales of real property in excess of \$400,000 must be approved by 2/3 vote of Council and all other ITO Real Estate Dispositions must be approved in accordance with this and any other related Council policy prior to issuance of the Call documents and prior to any Award.

9. RELATED POLICIES

[ADMIN-008](#) - City of Vancouver Procurement Policy

[AF-013-01](#)- City of Vancouver Energy Efficiency Purchasing Policy

[AF-014-01](#)- City of Vancouver Ethical Purchasing Policy

[AF-010-01](#) - City of Vancouver Corporate Purchasing Cards Policy

[COUN-029](#) - City of Vancouver Sponsorship Policy

APPROVAL HISTORY

ISSUED BY: Corporate Services	APPROVED BY: Park Board	DATE: April 19, 2010
AMENDED BY: Strategic Initiatives	APPROVED BY:	DATE:

Summary of Proposed Procurement Policy Changes & New Sections

Existing Policy Sections		
ITEM	PROPOSED CHANGE	IMPACT
Maximum Contract Term	<p>Existing: Five years (including all options to extend or rights of renewal) in respect of a contract other than for a capital project and, in respect of a capital project contract, the term of the approved funding for the capital project.</p>	<p>Maximum Contract Term will not be limited to existing 5 year term limit; longer contract terms may result in increased stability, long range planning, and peace of mind re: capital investments</p>
	<p>Proposed: Means the maximum years (including all options to extend or rights of renewal) in respect of a Contract as set by this policy.</p> <p>“... the Chief Procurement Officer will set the Maximum Contract Term for each Call, in consultation with the Department Head. For proposed Maximum Contract Terms of ten (10) years or greater, such terms will be approved by Bid Committee before Calls being issued by the Chief Procurement Officer.”</p>	
Change Orders - Under Budget	<p>Existing: The Park Board General Manager will have the authority to approve change orders up to the project budget. All Change orders are conditional on the following;</p> <ul style="list-style-type: none"> (a) there are sufficient uncommitted funds within the existing project budget for that project to cover the cost of the change order, and (b) the change order does not materially alter the scope of work of the project. 	<p>Park Board will align with the City process and use templates that are in compliance with the Trade Agreement and decreases its exposure to liability by following the SCM change order process. At times when the Materiality Threshold is exceeded, additional approvals are required to process the Change Order.</p>
	<p>Proposed: As with City Policy, separate the under budget changes into two categories based on the Materiality Threshold (as shown in Table 5.0 above). For changes that do not exceed the Materiality Threshold, the change will be approved if it is requested on an approved form. For changes that do exceed the Materiality Threshold, the change has to be approved in accordance with the Delegated Authorities (as shown in Table 3.0 above)</p>	
Change Orders - Over Budget	<p>Existing: Change orders for projects which have exceeded their budgets (including budgets adjusted by transfers) must be forwarded to the Vancouver Park Board for approval if the project budget has been exceeded by the greater of the following two limits:</p> <ul style="list-style-type: none"> (a) 15% of the project budget (b) \$50,000 	<p>This process will align with the Funding Authority process as outlined in the City's Operating Budget Policy.</p>
	<p>Proposed: Changes to Contracts that increase the Total Price beyond the Funding Authority require further Funding Authority prior to being authorized under this section.</p>	

Summary of Proposed Procurement Policy Changes & New Sections

New Policy Sections		
ITEM	PROPOSED CHANGE	IMPACT
Living Wage Requirement	The Chief Procurement Officer shall ensure that all Contracts that meet the criteria set out in the Policy require the contractor to pay no less than the Living Wage to all Living Wage Employees and it also provides the City with sufficient audit rights to confirm compliance	Extend the City's Living Wage requirements to certain contractors
Unsolicited Proposals	An un-solicited proposal received by the City independently of a Call. Un-Solicited Proposals are typically submitted by third parties wishing to sell certain goods or services to the Vancouver Group. For further certainty, a Non-Competitive Sponsorship Arrangement, as that term is defined in the Sponsorship Policy, is not an Un-Solicited Proposal under this Policy.	The Park Board will gain the ability to process Un-Solicited Proposals, which can bring additional resources that enable staff achieve certain objectives that the Park Board does not have the resources to pursue
Real Estate Disposition	Identifies the process of disposing of real estate through an ITO (Invitation to Offer) process. This process is carried out by the Real Estate Services function of the Real Estate and Facilities Management (REFM) department.	Park Board gains an approved process for disposing of real estate.