



POLICY

Subject Area: Finance	Policy # 7.10.02
Policy Title: Purchasing Policy	
Authority: Legislative X	Effective Date: 2021-07-13
Administrative	Review Date: 2026-07-13
Issued By: Karen Grommada, Director of Finance/Deputy CAO Finance	Issue Date: 2021-07-16
	Manner Issued: E-mail to All Staff

Purpose

The purpose of this policy is to establish the parameters for the solicitation of goods and/or services by the City of Port Coquitlam.

This policy attempts to balance the need to purchase goods and services in a timely manner with the need to ensure good value is received, and that the purchase process itself is both perceived to be and is in fact, fair, open, and transparent.

Policy

Definitions

“Solicitation Method” means the process by which goods and services are procured of which there are two accepted methods as follows:

- a) “Competitive Method”; vendors are given an equal opportunity to submit bids in accordance with City policy and procedures;
- b) “Discretionary Method”; the usual competitive solicitation rules are suspended due to the limited value of the intended purchase. Purchases are made on an individual’s authority within their approved purchasing threshold as outlined on Schedule ‘A’, bearing in mind the need to make purchases providing the greatest value to the City.

“Commitment Authority” means the authority to approve the purchase of goods and/or services.

“Department Head”, for the purposes of this policy a Department Head includes the following positions:

- Chief Administrative Officer
- Director of Engineering and Public Works
- Director of Finance
- Director of Recreation
- Director of Development Services
- Director of Human Resources
- Director of Corporate Community Safety and Corporate Support
- Fire Chief

Award of Goods Services and Construction

Staff shall evaluate and award purchases for goods, services and construction that will provide overall best value to the City that considers the following criteria; quality, specifications, environmental and social impact, service, warranties, price, supplier’s demonstrated ability to perform the work and timely delivery, in accordance with their approval authority as outlined in Schedule “A”.

Preference shall be given to Port Coquitlam suppliers where all criteria are equal.

Lease or Service Contracts

Lease or services procurement is subject to the same policy as “general purchases” as outlined in Schedule “A” of this policy. The annual value of a lease or service contract determines the authorization required.

Environmentally Friendly Products/Services

The City recognizes the importance of purchasing products and/or services that have the least negative environmental impacts. To this end the City will consider:

- setting purchasing specifications that specifically require, or request that an option be provided on, environmentally friendly products and/or services; and/or
- paying a premium price for environmentally friendly products/services, based on the specifics of the contemplated purchase, as determined by the City staff involved in the purchase.

Inter-Governmental Trade Treaties

Purchases must comply with applicable Inter-governmental Trade Treaties at or exceeding the purchase value threshold as established within the treaty.

Used Goods/Equipment

To ensure maximum value for the City’s purchasing dollars, the purchasing function and performance must be optimized. To this end, the City may consider the purchase of used goods or equipment from time to time. At the discretion of the Purchasing Manager,

purchases of used goods or equipment costing more than \$1,000 will only be considered where a positive business case be shown. The value of individual purchases shall not exceed \$75,000 under this section.

Single Source Purchases

Staff may negotiate within their approved limits outlined in Schedule “A”, a purchase without inviting competitive offers from suppliers if, in conjunction with the Purchasing Manager they determine this to be in the best interest of the City. Following are some examples when a non- competitive purchase may be considered appropriate:

- The service or good is unique or of a proprietary nature and available from only one source.
- The compatibility of a purchase with existing equipment, facilities or services is a paramount consideration.
- An item is purchased for testing or trial use.

Exceptions to Policy

This policy does not apply to the purchase of the following goods or services:

- Purchases from Indigenous peoples, not for profit organizations, and public sector organizations.
- Contracts or agreements relating to employee compensation, reimbursements, training or education.
- Postage, insurance premiums, utilities (including hydro, natural gas,), land acquisition, and legal services.
- Joint purchases where the City participates in the purchase of goods or services through participation in co-operative purchasing ventures such as the Vancouver Regional Co- operative Purchasing Group; similarly, where the City participates in the purchase of goods or services through the BC Purchasing Commission.
- Emergency purchases; when time constraint will not allow tendering, such as when supplies, services and equipment are urgently required to maintain City Works or to reduce a threat to public safety. Emergency purchases require the approval of a Department Head.

Responsibility

- **Employees**
 - Individuals given Acquisition Authority under Schedule “A” of this policy, are responsible to ensure that:
 - proper and adequate budget exists within their area of authority prior to committing to any purchase, and
 - that they plan to allow adequate time for competitive bidding, ordering, and delivery of materials, and
 - they follow forms and procedures detailed by the City’s Purchasing Manager, and
 - purchases they make do not violate City Policy or other legal and/or statutory requirements.

- **Purchasing Manager**

- The City Purchasing Manager shall institute forms and procedures as required for proper implementation of this policy enabling departments to procure the necessary quality and quantity of goods and services in an efficient, timely and cost-effective manner, while maintaining the controls necessary for a public institution.

- **Department Heads**

- To annually provide an update to the Purchasing Manager of the individuals to whom the Department Head has delegated purchasing authority, and the limitations thereof.

END OF POLICY

Record of Amendments

Policy	Issue date	Reviewed	Replaced	Re-issue Date
7.01.00	1996-05-31	2004-05	Yes	2004-05-11
7.01.01	2004-05-11	2021-06	Yes	2021-07-16

SCHEDULE "A"

APPROVAL THRESHOLDS

This schedule refers to the approvals required for the various dollar values of procurement. Other than in emergencies, budget approval is required before procurement proceeds.

Procurement dollar values are to consider total contract value including; estimated contract term extensions, applicable sales taxes, levies, freight and related fees.

Less than \$10,000 – Goods, services and construction

Solicitation Method

- Discretionary Method

Commitment Authority

- Individuals designated by City Department Heads

\$10,000 - \$75,000 – Goods and Services (up to \$200,000 for construction)

Solicitation Method

- a minimum of three (3) written quotations must be obtained

Commitment Authority

- Individuals designated by City Department Heads

\$75,000 – \$500,000 Goods and services (\$200,000- \$500,000 for Construction)

Solicitation Method

- Formal bid or tendering

Commitment Authority

- Individuals designated by City Department Heads

Over \$500,000

Solicitation Method – Goods, Services and Construction

- Formal bid or tendering

Commitment Authority

- Chief Administrative Officer