

Tr'ondëk Hwëch'in Procurement Policy

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FINAL DRAFT

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1.1 Purpose of the Tr'ondëk Hwëch'in Procurement Policy

The purpose of the Tr'ondëk Hwëch'in *Procurement Policy* is to outline transparent purchasing procedures for the government that guarantees the best price and benefit for TH citizens.

1.2 Abbreviations

TH – Tr'ondëk Hwëch'in

1.3 Contracts

Scope

All TH designated contracting authorities (Department Directors or designated representative) issuing contracts for services and construction within the fiscal year.

Purpose

Ensure TH secures the best value for contract work.

Provide consistency for all contractual agreements.

Ensure TH contracting activities are carried out in a fair, fiscally responsible, accountable, open and competitive manner that benefits TH citizens, TH Government and locally owned businesses, where practical.

Policy

TH will give preference to citizen-, TH-, and locally owned businesses for all types of contractual services.

Contracting activities must be carried out in full compliance with all TH Policies, Yukon and Canadian contracting laws, the National Building Code, the *Yukon Workers' Compensation Act*, Canada Customs and Revenue Agency and the TH Land Claims Agreement, where applicable.

Procedure

TH contracting activities that are part of an approved budget can be entered into by the Department Director or designate.

All unbudgeted contracting activities must have approval prior to proceeding. The Department Director must submit to the Executive Director a written request for the unbudgeted contract that identifies where funding is coming from.

In all contractual activities, the TH preferential hiring policy will apply.

TH citizen, TH Government and local businesses will be considered first. If there are no qualified community-based businesses, TH contracting authorities will look outside the community.

All contracts must contain appropriate clauses to reflect requirements of conflict of interest and confidentiality.

TH contracting methods will be as follows:

- Request for Proposal.
- Tendering or Bid Invitation.
- Standing Offers.
- Sole Source.

All contractual activities will be posted either by tender or request for proposal. In situations where time is of the essence or there is a requirement for specific service, TH contracting authorities may sole source the service but must ensure fees paid do not exceed the market rate for the service.

Advantages in scoring criteria for awarding contracts for the following categories are outlined below. Businesses will qualify in only one of the following categories:

- TH citizen- or TH-owned businesses will be given a 15-point advantage in the final scoring of tenders.
- Partially owned TH citizen businesses will be given a 10-point advantage in the final scoring of tenders.
- Dawson-based businesses will be give a 5-point advantage in the final scoring of tenders.

No advance payments will be given in any contractual situation.

A ten (10) percent holdback will be retained on contracts. Holdback details will be specified within the contract.

Bonding or some type of security will be required for all projects over \$200,000.00. The amount will be determined by the overall cost of the contract.

With respect to contracting for services, all TH contracting authorities must ensure there is no employer-employee relationship in accordance with the criteria established by Canada Customs and Revenue Agency and pertinent court rulings.

All contractual amounts below \$5,000.00 will be reviewed individually by the Director of Finance and Capital and the Department Director to establish requirements for the contract.

Scoring and awarding criteria will be established during the tendering process and form part of the tender or proposal package.

Three TH representatives will score and award the contract. These representative can be as follows or as designated by the TH contracting authority at the time of tendering:

- The TH contracting authority responsible or designate.
- The Director of Finance and Capital or designate.
- The Executive Director or designate.

TH contracting authorities initiating the contract or service are responsible for working with the Director of Finance and Capital or designate on the following:

- Developing tender or request for proposal documents for the selected contracting method.
- Where appropriate, ensuring money paid does not exceed appropriate market value for sole sourcing.
- Ensuring the statement of work or the requirements description clearly describes the work to be carried out, the objectives to be attained, and the time frame.
- Ensuring an employer-employee relationship will not result when contracting for the service required.
- Ensuring compliance with all policy directives.
- Achieving the project objectives.
- Ensuring all subcontractors of the contractor have been paid.
- Monitoring work and signing off on each stage as it is complete.
- Authorizing payments as per the payment schedule.
- Ensuring the project is completed as per the contract and all necessary permits and occupancies have been received before authorizing final payment.

All contractors invited to bid or submit proposals on services within the fiscal year, must have valid business licenses, WCB compliance, and liability insurance (exceptions listed in Appendix A) and be registered with Revenue Canada, if applicable. Proof of compliance for the preceding must be submitted prior to entering into a contract and work commencing.

Contractors must have Course of Construction coverage, if applicable, and provide a copy of the document to TH prior to construction commencement.

Contracting Methods

Request for Proposal

A Request for Proposal is used when the purchaser is looking for the best value solution to resolve a problem or to deliver goods or provide a service, but is not exactly sure how to achieve it.

A request for proposals should include the summary of the project as well as pertinent dates. It

should outline information about the project, submitting proposals, and evaluation criteria.

A summary outlining the following will be developed and include the following:

- Details of the professional service required.
- Experience in similar projects and education.
- Qualifications of personnel who will be involved in project.
- In-house resources.
- List of subcontractors to be used.
- Project schedule and timeline.
- Reference for completed projects.

Tendering or Bid Invitation

A tender or bid invitation is used when the purchaser knows exactly what goods or service they want and is looking for the best price to deliver it.

In a tender situation TH contracting authorities will post the tender for the project open to all contractors.

In a bid-invitation situation, TH contracting authorities will invite selected contractors to bid on the project.

These packages should include the following information:

- Type of work to be done.
- Objective and work to be achieved.
- Description of work scope.
- Provision for changing work scopes, if applicable.
- List of subcontractors to be used.
- Restrictions, if any.
- Types and grades of materials to be used, if applicable.
- Responsibilities of the contractor and the department.
- Objectives and expected results of the department.
- Proof of liability insurance, WCB, businesses licensing and Revenue Canada compliance, if applicable.
- Time schedule and penalties for missing the time schedule.
- Payment schedule.
- Travel guidelines, if applicable.

- Request for references for similar projects.
- Qualifications of personnel who will be working on the project, if applicable.
- Contract bonding or security, if applicable.

Standing Offers

A pool of local contractors and service providers will be developed from the bidding process for standing offers.

Depending on the type of contract or service, either a call for proposals or the tender process will be used to develop this pool.

Once the initial contract is in place, a work order can be used to initiate recurring contracts or services under this category.

Sole Sourcing

In situations where time is of the essence or there is a requirement for a specific service, contracting authorities may sole source the service.

For the sole sourcing of a contract or service, the TH contracting authority must provide the contractor the same information used for the tender process. This ensures the bidder has the information to make a proper sole-source bid. TH contracting authorities must ensure the fees paid for the sole source do not exceed the market rate for the service.

Awarding Contracts

There are two types of selection criteria: price and related evaluation criteria.

The evaluation team should be a minimum of three people, as outlined in the policy.

Proposals will be evaluated on the information submitted in the proposal and through reference checks.

Awards for contracts will be done verbally and be followed up in writing listing requirements needed to enter into the contract stage. All unsuccessful bidders should be notified in writing of the successful bidder and the winning bid amount. All bidders are entitled to obtain information on how their proposal was evaluated. No information on any other proposal is to be released.

1.4 Purchases

Scope

All procurement of bulk goods and TH tangible capital assets that usually are not part of the day-to-day operations of the TH government.

Purpose

Ensure TH secures the best value for all procurement of goods and supplies.

Ensure the purchase of quality products in the most cost-effective and timely manner to satisfy TH's requirements for operational bulk purchases and capital tangible assets.

Policy

Bulk purchases and purchases of capital tangible assets will be facilitated by the Housing and Infrastructure Department.

Purchases shall be acquired competitively from qualified suppliers to meet specified needs and to achieve the best value for money. Preference will be given to TH citizens, TH Government and locally owned businesses, where practical.

A ten (10) percent price variance will be given to businesses owned by TH citizens.

Procedure

For bulk purchases and the purchase of capital tangible assets, the Housing and Infrastructure Department must get at least three quotes for the proposed purchases.

Purchases for day-to-day operations do not require three quotes, but the TH purchasing authority must ensure best value for the purchases.

Before an order to purchase equipment is made, a notice will be sent to all TH departments to combine the equipment order for better pricing.

Purchases relating to the day-to-day operations of the TH Government will be made by the assigned TH purchasing authority of each department that has a delegation of signing authority.

All procurement of goods requires one of the following, depending on the type of purchase:

- A completed purchase order.
- For online orders made by credit card, the order confirmation.
- Written purchase agreement or quote for a bulk or capital tangible asset order.

Where TH purchasing authority invites proposals for the purchase of goods or supplies and if

three or more Dawson businesses who supply these goods can be identified, they will be invited to submit price proposals.

If there are no local businesses who supply the requested goods, the TH purchasing authority shall look outside Dawson.

For supply of goods needed on a recurring basis, the department may enter into a standing offer agreement directly with the supplier after the initial call for bids.

All purchases must have approval prior to proceeding. All required documentation must be submitted to the Finance and Capital Department immediately after the purchase is made.

The TH purchasing authority is responsible for the following:

- Providing the supplier with a detailed list of items to be supplied.
- Developing documents for purchase method chosen.
- Providing documentation on the delivery and receipt of goods and supplies.

TH purchases of supplies and goods that are part of an approved budget can be entered into by the Department Director or designate.

All unbudgeted purchases of supplies and goods must have approval prior to proceeding. The department Director must submit to the Executive Director a written request for the unbudgeted purchase that identifies where funding is coming from.

Scoring and awarding criteria will be determined by three individuals:

- The TH purchasing authority responsible.
- The Director of Finance and Capital or designate.
- The Executive Director or designate.

Purchasing Methods

There are two allowed purchasing methods: bid invitation and standing offers.

The summary for both above methods should include the following information:

- Delivery information.
- Description of items to be purchased.
- Supply model number, colour, style and size, if applicable.
- Quantity or volume of items to be purchased.
- Freight details.
- Warranty details.
- Manufacturer, if applicable.

A pool of local suppliers will be developed from the bidding process for standing offers. The call for proposals or bid invitation process will be used to develop this pool.

Awarding Purchases

Evaluation and scoring criteria will take into consideration the following:

- Price.
- Related evaluation criteria.
- Freight charges.
- Timeline of delivery.
- Warranty limitations.

Appendix A

The Finance and Capital Director, in consultation with the contracting authority, shall determine the need for a contractor to have liability insurance based on the potential risk to TH. This determination shall be made using the following list as a guideline. (The following list is not comprehensive and may be administratively updated, as needed. TH reserves the right to ask any contractor for proof of liability insurance.)

Low Risk – An activity with no apparent liability likely to arise. The Finance and Capital Director will likely determine no liability insurance is needed.

Medium Risk – An activity that carries some potential for liability for TH. The Finance and Capital Director will explore the situation and determine if liability insurance is needed.

High Risk – An activity with a high probability of liability being assumed. The Finance and Capital Director will ask that liability insurance be in place.

Low

Meeting Documentation

Audio Transcription

Event production assistance

Website/social media management

Heritage planning consultant

Presenter (e.g., at conferences)

GIS, cartography, map production

Graphic design

Videography

Photography

Audiovisual media editing

Copyediting

Translation

Printing

Interpretation and presentation

Exhibit design and production

Feasibility studies

Language sharing

Musicians or music associations

Needs assessments

Performing Artist/groups/societies

Recording and transcribing oral histories

Research

Sharing stories, culture and teachings (including interviews with Elders)

Visual and performing artists, companies, associations or groups
Web Design
Workshops arts and crafts

Medium

Conceptual design
Contracts for minor projects (e.g., display cases and benches)
Drafting
Janitorial
Contract specifications and tender documents
Land planning consultation
Tutoring
Workshop facilitator (e.g., river rescue, chainsaw, first-aid)
Teacher/instructor
Curators
Soil sampling
Geotechnical drilling or studies
Non-invasive, on-the-land contractors and information gatherers
Project Management
Landscaping

High

Cook (e.g., at remote camps, historic sites, or locally)
Electrical maintenance
Engineering
Furnace maintenance
Information technology outsourcing
Mentor
Personal counselling
Plumbing maintenance or renovations
Snow removal
Vehicle driver
Architect
Boat driver
Boiler maintenance
Building construction
Building repairs and maintenance
Self-development workshop providers