 PPA	Policy Document Purchasing and Contracting Out	Document No.
		PPAGC-13-867

1. Purpose

It is the Authority's policy to solicit offers for every contract in excess of \$10,000 with the exception of sole source selection situations.

2. Policy Statement

The Pacific Pilotage Authority is committed to procure goods and services based on best overall value. Purchasing is conducted with due regard for equal opportunity, trade agreements, environmental considerations and internal policies. Procurement must support the Authority's mandate as set out in the *Pilotage Act*.

Purchasing is conducted by each department as determined by the annual Corporate Plan. Major purchases of goods and services over \$100,000 are advertised on the Government Electronic Tendering Service, (GETS), www.buyandsell.gc.ca. This tendering service provides opportunities to all relevant suppliers and is used by the Government of Canada, including Crown corporations.


Purchasing below GETS values of \$100,000 are subject to best value evaluation. Best value includes but is not limited to price, lifespan, maintenance and disposal.

Contracts and Purchases Not Exceeding \$10,000

The Authority will have the right to sole select for any particular contract when one or more of the following circumstances apply:

- the requirement is a small order that does not warrant the expense of Offers from more than one supplier (less than \$10,000), or
- there is only one qualified firm available when all factors and pertinent policies are taken into account; or
- the work is of pressing emergency in which delay would not be in the best interest of the Authority; or
- contracts for procuring services which can be provided only by the following professionals; physicians, dentists, nurses, pharmacists, engineers, architects, land surveyors, accountants, lawyers, notaries, computer consultants, marine architects, marine engineers.

The price submitted by a company or person for the provision of goods and/or services is but one of several important factors to be considered by the Authority. The Authority will not necessarily accept the lowest price and it reserves the right

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to reject any and all offers without giving reasons. The Authority's solicitation of Offers shall not be construed as an Offer.

A Launch Master has authority to purchase goods and services for the operation of the launch or station up to but not exceeding \$500.00 without prior approval from the Assistant Director Marine Operations or Shore Engineer. Any goods or services received must be signed for by the person receiving the goods or services and the packing slip or receipt, with the signature, must be sent to the Shore Engineer who will co-ordinate sending these receipts to Vancouver. The limit for goods and services referred to above does not include standing orders for such items such as fuel, or goods and services purchased in an urgent situation required to continue the operations of the launch. In the case of an urgent situation the Director of Operations must be notified as soon as possible and the signed receipt forwarded to the Vancouver office.


Between \$500 and \$10,000

The Launch Master must obtain an estimate which is to be provided to the Shore Engineer or Assistant Director of Marine Operations for final approval.

Contracts and Purchases for Amounts Exceeding \$10,000

For contracts or expenditures estimated to be over **\$10,000 and up to \$100,000**, the responsible officer, shall solicit a minimum of three (3) suppliers, in writing for Offers.


- a. Purchase orders shall be raised for all expenditures exceeding \$10,000 prior to the said expenditure being contracted, except where a formal contract is issued. In cases of pressing emergency where any delay could be injurious to the Authority, goods or services may be purchased without prior purchase order, but this should be issued subsequently as soon as possible. The purchase order will indicate all relevant details, quantity, price, taxes and FOB status.
- b. The Director of Finance should certify that the funds necessary to cover the contemplated expenditure are available. In the case that funds are not available, the matter shall be referred to the Board of the Authority. The responsible officer should prepare a specification of the item(s) required or the service(s) to be rendered. General conditions and, if applicable, special conditions governing any subsequent contract should be included.
- c. A list of contractors considered to be capable of providing the goods or services is to be prepared by the responsible officer.
- d. All offers should normally be solicited and received in writing.
- e. Except where the Chair and the CEO consider it to be in the commercial best interest of the Authority to use sole selection for contracts.

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Contracts or Expenditures for Amounts Over \$100,000

All procurements in excess of \$100,000 will be advertised on the Government Electronic Tendering Service (GETS), www.buyandsell.gc.ca.

Must obtain pre-approval by the Board of Directors

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Awarding of Contracts

Upon acceptance of an offer for a contract, two original copies of the legal contract shall be drawn up and signed by the Authority and the Contractor. The Contractor shall keep one copy and the Authority the other.

	<u>Purchasing Limit</u>	<u>Approval Authority</u>
Launchmaster	\$ 500	Shore Engineer
Receptionist	\$ 600	Manager of Accounting
Shore Engineer, Victoria	\$ 10,000	Asst. Dir. of Marine Operations
Manager, Operations & Labour Relations	\$ 10,000	Director of Marine Operations
Asst. Dir. of M. Ops	\$ 10,000	Director of Marine Operations
Manager of Accounting	\$ 10,000	Director of Finance
Executive Assistant	\$ 10,000	Chief Executive Officer
Corporate Secretary	\$ 10,000	Chief Executive Officer
Director of M. Operations	\$ 10,000	Chief Executive Officer
Director of Finance	\$ 10,000	Chief Executive Officer
Chief Executive Officer	\$ 100,000	Chair of PPA or Board designated alternate

3. Document Approvals

Role	Position	Name of Approver
Author	Director of Finance	
Owner	Director of Finance	CEO
Final Approver		PPA Board

4. Revision History

Effective Date	Description of Change
May 4, 2017	Approved by PPA Board