



# Regional Board Report

**TO:** Regional Board

**FROM:** Brian Reardon, CAO

**DATE:** September 27, 2021

**SUBJECT:** Purchasing Policy - Sole Source Contract

**Voting Entitlement:** *(All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208)*

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**Purpose:** To provide information to the Board on a 'Sole Source' contract exceeding \$75,000 that was entered into as part of the Emergency Operations Centre (EOC) support to those communities impacted by the White Rock Lake Fire.

## Executive Summary:

A 'Sole Source' contract means a contract that was entered into with a supplier/contractor, without conducting a competitive procurement process (e.g. RFP).

As per the RDCO Purchasing Policy section 3.5; should the CAO deem that a sole source purchase exceeding \$75,000 is urgently required, then the CAO can approve such purchase and must subsequently provide a report to the Board informing the Board of the sole source contract. This information report is hereby provided in accordance with the policy requirement.

The following provides a summary of a Sole Source contract, for an amount greater than \$75,000, that was entered into on September 2, 2021:


<b>Contract Service Description:</b>	Services of 2 crews for 11 days to coordinate, collect, process, and dispose of residential fridges and freezers belonging to residents in Electoral Area Central Okanagan West that were subject to evacuation orders during the White Rock Lake Fire.
<b>Contract Executed With:</b>	RAM Environmental Response Ltd
<b>Total Contract Commitment Value:</b>	\$135,675 + GST (Note: this is an EOC Response cost, which will be reimbursed by EMBC at 100%, up to a maximum of \$143,000 according to current approvals).

<b>Procurement Process Details:</b>	<p>This service was required urgently once evacuation orders were lifted and residents were allowed to return to their homes. Due to the urgent nature, RDCO Purchasing did not have time to conduct a public Request for Proposals process (which is the standard Purchasing Policy requirement for purchases exceeding \$75,000), and so instead conducted the following process to ensure best value for taxpayers while meeting the emergency response requirements:</p> <ul style="list-style-type: none"> <li>• Several potential response / waste management companies were contacted in order to seek competitive quotes.</li> <li>• Two companies responded to the request and provided price quotes.</li> <li>• Analysis by the purchasing team found that both quotes were very similar in their rates per day.</li> <li>• The contract was awarded to the respondent that proposed the most comprehensive methodology for the service, and offered the quickest response time for the establishment of a call centre for residents.</li> <li>• Purchasing then negotiated a set rate schedule and executed a formal agreement with the Contractor to ensure all service, WorksafeBC, liability, and insurance requirements were covered.</li> </ul>
<b>Trade Agreement Compliance:</b>	<p>This sole source contract is allowed for under the applicable Trade Agreements as follows:</p> <ul style="list-style-type: none"> <li>• <u>New West Partnership Trade Agreement (NWPTA)</u>: Article 14 – competition requirements do not apply during situations of urgency.</li> <li>• <u>Canadian Free Trade Agreement (CFTA)</u>: Article 513 – competition requirements do not apply for urgent requirements.</li> <li>• <u>Comprehensive Economic Trade Agreement (CETA)</u>: this trade agreement is not applicable for purchases at this value.</li> </ul>

## RECOMMENDATION:

**THAT** the Regional Board, receive the CAO report, 'Purchasing Policy – Sole Source Contract', dated September 27, 2021, for information.

Respectfully Submitted:



Brian Reardon, CAO

*Prepared by: Andy Brennan, Purchasing Consultant – The Interior Purchasing Office Inc.*