Minutes - Executive Policy Committee - November 12, 2003

REPORTS

Minute No. 4 **Materials Management Policy (Ad-Hoc Committee to review the Policy on Purchasing Procedures and the Disposal of Surplus Supplies, and the Policy on Assignment of Consultants)**
File FP

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee laid over consideration of the matter pending receipt of administrative report requested on October 29, 2003.

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

Moved by Councillor Angus,
That consideration of the matter be laid over pending receipt of administrative report requested on October 29, 2003.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 29, 2003, the Executive Policy Committee laid over consideration of the matter to its meeting scheduled for November 12, 2003, and referred the report back to the Administration to clarify the wording regarding the intent of the proposed Materials Management Policy.

On October 15, 2003, the Executive Policy Committee laid over consideration of the matter to its next meeting.

On July 16, 2003, the Executive Policy Committee passed the following motion:

> WHEREAS on April 16, 2003, the Executive Policy Committee recommended the creation of an Ad Hoc Committee comprised of Councillor Pagtakhan as Chairperson, Councillors Steeves and Angus to review the Policy on Purchasing Procedures and the Disposal of Surplus Supplies, and the Policy on Assignment of Consultants to report back by July 2003;
>
> AND WHEREAS the Ad Hoc Committee has not yet completed their review in detail and require an extension of time;
>
> THEREFORE BE IT RESOLVED that the Executive Policy Committee grant an extension of time of 60 days in order for the Ad Hoc Committee to complete their review on this policy and report back.

DECISION MAKING HISTORY (continued):

COUNCIL DECISION:

On April 30, 2003, Council concurred in the recommendation of its Executive Policy Committee and adopted the following:

1. That an Ad-Hoc Committee comprised of Councillors Pagtakhan, Angus and Steeves be created to review the Policy on Purchasing Procedures and the Disposal of Surplus Supplies, and the Policy on Assignment of Consultants:
   - to allow the City to further realize more cost savings in the acquisition and disposal of materials and services
   - to align the City's procurement and disposal initiatives to better reflect current political and economic initiatives, and
   - to allow for best business practice decisions and public policy decisions as they arise

2. That this Ad-Hoc Committee take the necessary steps to review the above said policies and report back to the Executive Policy Committee by July 2003.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 16, 2003, the Executive Policy Committee passed the following motion:

> WHEREAS the administration is proposing changes to the Policy on Purchasing Procedures and the Disposal of Surplus Supplies, and the Policy on Assignment of Consultants;
>
> AND WHEREAS the Policy on Purchasing Procedures and the Disposal of Surplus Supplies has not been reviewed since 1988 and the Policy on Assignment of Consultants has not been reviewed since 1990;
>
> AND WHEREAS the on April 14, 2003 the City of Winnipeg will be moving to CONNEXUS, a new Purchasing and Finance System;
>
> AND WHEREAS a review of the Policy on Purchasing Procedures and the Disposal of Surplus Supplies has significant potential to realize significant cost savings thru the profit-leverage effect;
>
> AND WHEREAS the purchasing function has far reaching effects towards aligning and implementing with current political and economic initiatives (Kyoto, Equity & Diversity issues, etc.);

DECISION MAKING HISTORY (continued):

THEREFORE BE IT RESOLVED that the Executive Policy Committee create an Ad-Hoc Committee comprised of Councillor Pagtakhan as Chairperson, and Councillors Angus and Steeves to review the Policy on Purchasing Procedures and the Disposal of Surplus Supplies, and the Policy on Assignment of Consultants:

- To allow the City to further realize more cost savings in the acquisition and disposal of materials and services
- To align the City's procurement and disposal initiatives to better reflect current political and economic initiatives
- And to allow for best business practice decisions and public policy decisions as they arise;

THEREFORE BE IT FURTHER RESOLVED that this Ad-Hoc Committee take the necessary steps to review the above said policies and report back to the Executive Policy Committee by July 2003.

ADMINISTRATIVE REPORT

RE: MATERIALS MANAGEMENT POLICY

FOR SUBMISSION TO: **EXECUTIVE POLICY COMMITTEE**

ORIGINAL REPORT SIGNED BY: **ROBERT P. GANNON**
CHIEF FINANCIAL OFFICER

REPORT DATE: **October 22, 2003**

RECOMMENDATION(S):

1. **That The City of Winnipeg Materials Management Policy attached as Appendix A be approved and become effective from and after the date of approval by Council.**

2. **That the Policy on Purchasing Procedures and the Disposal of Surplus Supplies as contained in the Report of EPC dated February 3, 1988 and adopted by Council on February 10, 1988, and the Policy on Assignment of Consultants as contained in the Report of EPC dated October 24, 1990 and adopted by Council on October 31, 1990, and all amendments thereto be repealed.**

3. **That all delegations to officers and employees pursuant to the said policies are to remain in full force and effect until amended or cancelled under the authority of the Chief Administrative Officer.**

4. **That the proper officers of the City do all things necessary to implement the above recommendations.**

Report Summary

Key Issues: **This Materials Management Policy will replace The City of Winnipeg Policy on Purchasing Procedures and the Disposal of Surplus Supplies and the Policy on Assignment of Consultants.**

Implications of the Recommendation(s):

General Implications

ð None

v For the organization overall and/or for other departments

ð For the community and/or organizations external to the City of Winnipeg

ð Involves a multi-year contract

Comment(s):

Policy implications

ð No

v Yes Comment(s):

Environmental implications

v No

ð Yes Comment(s):

Human Resources implications

v No

ð Yes Comment(s):

Financial Implications

ð Within approved current and/or capital budget

ð Current and/or capital budget adjustment required

Comment(s): There areis no financial implications associated with this report as it is related to a change in policy..

REASON FOR THE REPORT:

City Council has the authority to establish a procurement policy for the City.

HISTORY:

The City of Winnipeg Policy on Purchasing Procedures and the Disposal of Surplus Supplies (Policy C261) was adopted by Council on February 10, 1988. The City of Winnipeg Policy on Assignment of Consultants (Policy C333) was established in 1990.

Under the New Directions Initiative in 1994/1995, the Purchasing Department was dissolved and the Materials Management Division of Corporate Finance was established with a significant change in mandate.

In 1997, as a result of the Cuff Report, the City changed from a Board of Commissioners to a City Manager Model of Governance.

Pursuant to Section 214 of The City of Winnipeg Charter, Council has the authority to establish a procurement policy for the City.

DISCUSSION:

The fundamental thrust of the new Materials Management Policy is to institute the changes brought about by the New Directions Initiative and the change to a City Manager Model of Governance. In doing so there were several major conceptual changes from the current Policy on Purchasing Procedures and the Disposal of Surplus Supplies:

i.) The new Materials Management Policy is more inclusive in that it will replace both the Policy on Purchasing Procedures and the Disposal of Surplus Supplies and the Policy on Assignment of Consultants (including professional services). Any reference to procurement or purchasing is therefore all inclusive except for those specific exclusions contained in Section B1.2 of the proposed new Materials Management Policy, namely:

a) a supply of financial services; or
b) a supply of real property; or
c) a supply by the City of municipal services; or
d) a contract of employment or collective agreement; or
e) a contract entered into by The Board of Trustees of The Winnipeg Civic Employees' Benefit Program (Pension Fund) or the Sinking Fund Trustees;

except to the extent that the Chief Administrative Officer shall by Directive determine otherwise.

ii.) The award authority of the Chief Administrative Officer has increased from one million dollars to ten million dollars where there is an absolute commitment of funds as long

as funds are available in an approved budget. City Council control is therefore shifted more to approval of the budget, delineating guiding principles and establishing this policy.

iii.) All delegation to the administration is via the Chief Administrative Officer. This is consistent with the City Manager Governance Model and The City Organization By-Law #7100/97. The previous policy split the delegation between the Board of Commissioners and the then Director of Purchasing.

iv.) The new Materials Management Policy has been written more precisely to contain that which is necessary to define the legal authority for the administration to act. Matters pertaining to administrative direction and procedure such as differentiation between Invitation to Tender, Request for Proposal and Request for Quotation have been eliminated from the new Materials Management Policy. The Chief Administrative Officer will issue directives and establish procedures for the due administration of the new Materials Management Policy.

v.) Terminology and definitions are consistent with the Excise Tax Act where possible. There are tax implications involved with all acquisitions. It was considered prudent that consistent terminology be used to the greatest extent possible.

The new Materials Management Policy is free of administrative directives and procedures. The directives and procedures will be developed and implemented under the authority of the Chief Administrative Officer. The City has implemented a major automated system which will include a significant change to the materials management functions and processes. The directives and procedures will be developed in conjunction with the new system.

The delegation of authority contemplated by this Materials Management Policy is consistent with the City Manager Model of Governance and The City Organization By-Law #7100/97. This authority provides the flexibility necessary for effective and timely decision-making in order to implement administrative direction and procedure in pursuit of affordable government. Council's due diligence in the expenditure of monies is still exercised by way of the budget approval process and development of the Materials Management Policy, including guiding principles.

Under the current Policy on Purchasing Procedures and the Disposal of Surplus Supplies, the Chief Administrative Officer has award authority for up to one million dollars and under the Policy on Assignment of Consultants has unlimited award authority so long as there are funds available in an approved budget. In addition, the Chief Administrative Officer has authority to award term contracts where there is no absolute commitment of funds for up to five million dollars and terms of up to five years. The new Materials Management Policy contemplates an increase in the threshold value from one million dollars to ten million dollars where there is an absolute commitment of funds and there are funds approved in a budget and elimination of the threshold value where there is no absolute commitment of funds.

The new Materials Management Policy does not change the current policy wherein approval must be obtained from the appropriate Standing Committee or Council when sufficient funding is not available in an approved budget.

Although this report recommends the repeal of both the Policy on Purchasing Procedures and the Disposal of Surplus Supplies and the Policy on Assignment of Consultants, any

administrative reports currently required to be submitted to Council pursuant to these policies will continue to be submitted until Council expressly discontinues the requirement.

The Additional References section of the new Material Management Policy refers to other applicable Council policies. Additional policies, such as policies relating to unfair labour practices, will be added as they are adopted by Council.

Financial Impact Statement **Date:** September 15, 2003

There are no financial implications associated with this report as it is related to a change in policy.

Carrie Erickson
Manager of Finance & Administration

Financial Impact Statement:

Project Name:

Date: First Year of Program

	0	1	2	3	4
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs					
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts					
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH, AND CONCURRENCEY BY: Corporate Services Department, Legal Services Division

THIS REPORT SUBMITTED BY:

Department: Corporate Finance
Division Materials Management
Prepared by: Ed Van MierloBarb D'Avignon
File No.

COUNCIL POLICY NO. ??-///

MATERIALS MANAGEMENT POLICY

LAST UPDATE: MONTH AND DAY, YEAR

COUNCIL REFERENCE	COMMITTEE JURISDICTION	DELEGATION OF AUTHORITY	ADMINISTRATIVE RESPONSIBILITIES	STATUTORY REFERENCE
Date Min. No.		Chief Administrative Officer	Chief Administrative Officer	By-Law Number(s)

A. POLICY STATEMENT

The City of Winnipeg Materials Management Policy provides governance of materials management functions and is founded on the following guiding principles:

The City's needs must be met in an effective and efficient manner.

The taxpayers of the City are entitled to the best value for their taxes.

All businesses are entitled to fair and ethical treatment.

B. DETAILS

B1. SCOPE OF THE POLICY:

B1.1 Except as otherwise provided in clause A1.1, this Policy shall govern the following materials management activities:

(a) procurement;

(b) transportation and distribution;

(c) inventory and asset management;

(d) disposal; and

(e) commodity tax management.

B1.2 This Policy shall apply to any obligation created by contract for a supply to or by the City, and the procedures preliminary thereto as provided in this Policy, but does not include:

(a) a supply of financial services; or

(b) a supply of real property; or

(c) a supply by the City of municipal services; or

(d) a contract of employment or collective agreement; or

(e) a contract entered into by The Board of Trustees of The Winnipeg Civic Employees' Benefit Program (Pension Fund) or the Sinking Fund Trustees;

except to the extent that the Chief Administrative Officer shall by Directive determine otherwise.

B2. DEFINITIONS

B2.1 Unless a different definition is prescribed for the particular provision, the words and phrases defined in this section shall have the meaning set forth below whenever they appear in this Policy:

(a) **"amount"** means money, property or a service, expressed in terms of the amount of money or the value in terms of money of the property or service;

(b) **"appropriate Standing Committee"** means the Executive Policy Committee or the Standing Committee designated by Council in By-law 7100/97 and any amendments thereto, and any by-law in substitution therefor, to which an administrative division reports;

(c) **"Chief Administrative Officer"** means the City employee holding that office or, if applicable, the successor to the authority or responsibility of such office;

(d) **"City"** means The City of Winnipeg as continued under The City of Winnipeg Charter, Statutes of Manitoba 1989-90, c. 10, and any subsequent amendments thereto;

(e) **"consideration"** includes any amount that is payable for a supply by operation of law;

(f) **"contractor"** means a person contracting with the City as a supplier or as a recipient;

(g) **"cooperative contract"** means a contract:

(i) arising through a solicitation conducted by another public sector body, or a group composed of two or more thereof; and

(ii) which includes the City as a party to the contract or allows the City to contract under the same terms and conditions;

(h) **"Council"** means the Council of The City of Winnipeg;

(i) **"Directive"** means a written statement by the Chief Administrative Officer with regard to any matter governed by this Policy, having general or particular application, or present or future effect, which is designed to implement or interpret any thing or matter governed by this Policy;

(j) **"financial service"** means:

(i) the exchange, payment, issue, receipt or transfer of money, whether effected by the exchange of currency, by crediting or debiting accounts or otherwise;

(ii) the operation or maintenance of a savings, chequing, deposit, loan, charge or other account;

(iii) the lending or borrowing of a financial instrument;

(iv) the issue, granting, allotment, acceptance, endorsement, renewal, processing, variation, transfer of ownership or repayment of a financial instrument;

(v) the provision, variation, release or receipt of a guarantee, an acceptance or an indemnity in respect of a financial instrument;

(vi) the payment or receipt of money as dividends (other than patronage dividends), interest, principal, benefits or any similar payment or receipt of money in respect of a financial instrument;

(vii) the payment or receipt of an amount in full or partial satisfaction of a claim arising under an insurance policy;

(viii) the making of any advance, the granting of any credit or the lending of money;

(ix) the underwriting of a financial instrument;

(x) any service provided pursuant to the terms and conditions of any agreement relating to payments of amounts for which a credit card voucher or charge card voucher has been issued;

(xi) the service of investigating and recommending the compensation in satisfaction of a claim;

(k) **“goods”** means property that is not real property;

(l) **“money”** includes any currency, cheque, promissory note, letter of credit, draft, traveller's cheque, bill of exchange, postal note, money order, postal remittance and other similar instrument, whether Canadian or foreign, but does not include currency the fair market value of which exceeds its stated value as legal tender in the country of issuance or currency that is supplied or held for its numismatic value;

(m) **“person”** means an individual, firm, partnership, association or corporation, or any combination thereof, and includes heirs, administrators, executors or legal representatives of a person;

(n) **“property”** means any property, whether real or personal, movable or immovable, tangible or intangible, corporeal or incorporeal, and includes a right or interest of any kind, a share and a chose in action, but does not include money;

(o) **"public sector body"** means a government, a non-profit organization, a charity, a municipality, a school authority, a hospital authority, a public college or a university;

(p) **"real property"** means messuages, lands and tenements of every nature and description and every estate or interest in real property, whether legal or equitable;

(q) **"recipient"** of a supply means:

(i) where consideration is payable for the supply, the person who is liable to pay that consideration; and

(ii) where no consideration is payable for the supply, in the case of a supply of property, the person to whom the property is delivered or made available or to whom possession or use of the property is given is or made available, and in the case of a supply of service, the person to whom the service is rendered;

(r) **"service"** means anything other than:

(i) property;

(ii) money; and

(iii) anything that is supplied to an employer by a person who is or agrees to become an employee of the employer in the course of or in relation to the office or employment of that person;

(s) **“solicitation”** means an invitation to make an offer to the City, including without limitation invitation to tender, request for quotation, request for proposal, and invitation to negotiate;

(t) **“subcontractor”** means a person contracting with a contractor as a supplier or recipient in respect of a supply to the City or a supply by the City, and includes a subcontractor’s subcontractor;

(u) **"supplier"**, in respect of a supply, means the person making the supply;

(v) **"supply"** means the provision of property or a service in any manner, including sale, transfer, barter, exchange, licence, rental, lease, gift or disposition.

(w) **“surplus supplies”** means any supplies, whether new or used, which have a remaining useful life, having regard to maintenance and other costs associated with such use, including without limitation, scrap, obsolete equipment, lost or confiscated property and equipment or machinery;

B3. SOLICITATION OF COMPETITIVE OFFERS

B3.1 Every supply to or by the City shall be initiated through the solicitation of competitive offers unless permitted by:

(a) Section A1 - ; or

(b) Section A1 - ; or

(c) Resolution of Council.

B4. SINGLE SOURCE NEGOTIATIONS

B4.1 A supply to be made to the City may be negotiated without the solicitation of competitive offers where the Chief Administrative Officer determines that:

(a) the supplier has an exclusive statutory right to make the requisite supply; or

(b) the supply is made by a public sector body, and the consideration is fair and reasonable; or

(c) the consideration for the supply is to be paid by a third party and that third party designates the supplier; or

(d) it is in the City's interests to protect the confidentiality of the supplier or the City; or

(e) the cost of solicitation of competitive offers is reasonably anticipated to exceed the benefits thereof; or

(f) the compatibility of a supply with existing property or services is the paramount consideration and that supply is available only from a single supplier; or

(g) the supply is for testing or trial use; or

(h) the supply is for services by licensed professionals that are exempt from the application of the Agreement on Internal Trade; or

(i) the supply is for interim contractual arrangements following the expiration of a contract; or

(j) an emergency, including without limitation:

(i) an act of God; or

(ii) strikes or lock-outs; or

(iii) laws, by-laws, ordinances, directives, codes and orders of authorities having jurisdiction, which come into force; or

(iv) the frustration or breach of a contract; or

(v) the receipt of unacceptable or uncompetitive bids;

creates an unforeseeable, immediate and serious need which jeopardizes the health or safety of any person, threatens public or private property or the environment, or adversely affects the functioning of the City, and which may not be reasonably met by any other procedure.

B4.2 A contract for a supply to be made pursuant to B4.1 (hi) and (ij), shall be only for the quantity or time reasonably required to meet the immediate need.

B4.3 A supply to be made by the City may be negotiated without the solicitation of competitive offers where the Chief Administrative Officer determines that:

(a) it is in the City's interests to make the supply to a public sector body; or

(b) it is in the City's interests to make the supply as the consideration, or any part thereof, for a supply to the City; or

(c) the cost of disposal of property is reasonably anticipated to exceed the fair market value of the property.

B5. COOPERATIVE CONTRACTS

B5.1 Where the Chief Administrative Officer determines that it is in the best interests of the City, a supply to or by the City may be made under the terms and conditions of a cooperative contract.

B6. ETHICS

B6.1 A person shall be in breach of the ethical standards of this Policy who knowingly:

(a) employs or offers to employ a City employee, or any person on such employee's behalf; or

(b) retains or offers to retain a City employee, or any person on such employee's behalf, as a subcontractor; or

(c) gives or offers to give a City employee, or any person on such employee's behalf, any money, property or services whether present or promised which provides for an inadequate consideration; or

(d) solicits the disclosure of, obtains or uses confidential information;

in connection with a solicitation or a contract for a supply to or by the City.

B6.2 A City employee shall be in breach of the ethical standards of this Policy who:

(a) responds to a solicitation for or contracts for a supply to or by the City; or

(b) while an owner, partner, shareholder, director or officer of a business, allows such business to respond to a solicitation for or contract for a supply to or by the City; or

(c) is the employee of or a subcontractor to a contractor in connection with a solicitation for or contract for a supply to or by the City; or

(d) solicits or accepts from a person, on behalf of himself or herself or any other person:

(i) employment; or

(ii) a contract as a subcontractor; or

(iii) any money, property or services whether present or promised which provides for an inadequate consideration;

in connection with a solicitation or contract for a supply to or by the City; or

(e) offers to disclose, discloses or uses confidential information in connection with a solicitation or contract for a supply to or by the City; or

(f) for a supply for personal use:

(i) directly or indirectly uses the City; or

(ii) directly or indirectly uses the name of the City to solicit a discount or any other favourable terms accorded the City; or

(iii) where his or her identity is known to a person, knowingly accepts a discount or any other favourable terms accorded the City

unless the supply is made pursuant to a contract or program authorized by the Chief Administrative Officer.

A City employee shall not be deemed to be in breach of the ethical standards of this Policy by:

(a) bidding upon or purchasing City property offered at a public auction; or

(b) owning or purchasing publicly traded shares or bonds of a corporation which responds to a solicitation for or contracts for a supply to or by the City; or

(c) being a director, officer or employee of a public sector body which responds to a solicitation for or contracts for a supply to or by the City; or

(d) providing advice, services or public information in the due course of his or her duties as a City employee; or

(e) accepting, in the course of his or her duties:

(i) the normal exchange of hospitality among persons doing business; or

(ii) tokens of nominal value such as pens, calendars and the like exchanged as a part of business protocol; or

(iii) normal presentations made to persons participating in public functions, opinion surveys, product trials, or other such activities; or

(iv) such other items as may be specified by the Chief Administrative Officer.

The Chief Administrative Officer may waive clause A1.1 A1.1(a), A1.1(a) and A1.1(a) where he or she is satisfied that proper disclosure has been made, that the City employee will be able to perform his or her duties as a City employee without bias or favouritism, and the award, if any, will be in the best interests of the City.

B6.3 Nothing herein shall be interpreted to abridge or affect any Criminal Statute, common law or equitable principle or to repeal any other ethical code approved by the City. The more stringent requirements shall apply.

B7. SUSPENSION AND DEBARMENT

B7.1 Upon reasonable notice in writing to the person involved and after a reasonable opportunity for that person to make representations in opposition to a recommendation of suspension or debarment, the Chief Administrative Officer may:

(a) if there is probable cause to believe that the person has engaged in any activity which might reasonably lead to debarment, suspend that person for a period not exceeding six months from participating in a solicitation, acting as a contractor, or acting as a subcontractor; or

(b) if there is sufficient cause, debar a person for a period not exceeding three years from participating in a solicitation, acting as a contractor, or acting as a subcontractor.

B7.2 Causes of debarment include:

(a) conviction for a criminal offence of a person or a director or officer of such person relating to obtaining or attempting to obtain by the person of a contract or subcontract, or indicating a lack of business integrity or honesty which directly and seriously affects the responsibility of the person, or arising out of the submission of bids, proposals or other like procedures; or

(b) serious breach of contract indicating an unwillingness or inability to perform a contract in accordance with the terms and conditions or in accordance with the specifications, or a record of unsatisfactory performance of one or more contracts in accordance with the terms and conditions thereof, or in accordance with its specifications; or

(c) the breach of any ethical standard set out in Section A1.

The cause of debarment may, but need not, relate to a solicitation, award or performance of a City contract.

B7.3 The Chief Administrative Officer shall issue a written decision to suspend or debar a person setting out the reasons for suspension or debarment.

The decision of the Chief Administrative Officer shall be conclusive and not subject to appeal.

The suspension or debarment shall take effect immediately upon the decision of the Chief Administrative Officer.

B8. AUTHORITY OF THE CHIEF ADMINISTRATIVE OFFICER

B8.1 Subject to The City of Winnipeg Charter, City by-laws and this Policy, the Chief Administrative Officer shall have authority to:

(a) approve by Directive such guidelines, procedures and standard forms, and prescribe their use, as he or she deems advisable for the interpretation and application of this Policy;

(b) make Directives consistent with this Policy, whether or not the right to so regulate is expressly provided for herein;

(c) approve the assignment of a contract or payment therefor in such form and subject to such terms and conditions as he or she deems advisable;

(d) determine that a bid is non-responsive and shall be rejected;

(e) determine that it is in the best interest of the City to not make an award of contract;

(f) initiate a solicitation;

(g) determine which supplies are surplus supplies;

(h) determine which surplus supplies are likely to be of use to other civic departments, agencies or bodies, and to determine the notice of availability, if any, to be given and the transfer for value, if any, between City departments;

(i) delegate in writing any of his or her authority under this Policy.

B8.2 The Chief Administrative Officer shall have authority to approve and award a contract where:

(a) the contract is for a supply to the City not exceeding $10,000,000.and there are sufficient funds for the monetary consideration to be paid by the City in a budget therefor approved by Council; or

(b) the contract is for a supply to the City and the contract does not create an absolute commitment for funds not yet approved by Council; or

(c) the contract is for a supply by the City.

In all other cases, the Chief Administrative Officer shall forward a recommendation to the appropriate Standing Committee including a recommendation, where appropriate, for funding the difference between the budgetary provision and the consideration to be paid by the City pursuant to the proposed contract.

The appropriate Standing Committee may approve an award of contract to be made by the Chief Administrative Officer where the Standing Committee identifies sufficient available funds in an alternative budget approved by Council to cover the difference between the budgetary provision and the monetary consideration to be paid by the City.

Where the criteria set out in clause 0 are not met, the appropriate Standing Committee shall forward a recommendation to Council including, where appropriate, a

recommendation for funding the difference between the budgetary provision and the monetary consideration to be paid by the City pursuant to the proposed contract. Council may approve an award of contract to be made by the Chief Administrative Officer.

B8.3 An award of contract made in good faith pursuant to this Policy shall be conclusive of compliance with this Policy and any authority delegated hereunder, notwithstanding any irregularities therein.

C. ORGANIZATIONAL RESPONSIBILITY/ADMINISTRATIVE DIRECTIVES

Administrative Directives will be issued by the Chief Administrative Officer.

D. AMENDMENTS

None

E. ADDITIONAL REFERENCES

Annex 502.4 of the Agreement on Internal Trade effective July 1, 1999.

Other Council policies may be applicable to this Materials Management Policy including but not limited to:

(a) The Purchasing Policy with Respect to Sustainable Development and Environmental Issues adopted by Council on November 21, 1990 (currently under review as Sustainable Development Policy);

(b) Universal Design Policy.

(c) Unfair labour practices

F. REVIEW PROCESS

The Policy and Information Systems Branch of the Materials Management Division manages any reviews

G. DELEGATED AUTHORITY

Except as otherwise specified in this policy, all authority under this policy is delegated to the Chief Administrative Officer.

NOTE: THIS POLICY SUPERSEDES:

THE POLICY ON PURCHASING PROCEDURES AND THE DISPOSAL OF SURPLUS SUPPLIES

THE POLICY ON ASSIGNMENT OF CONSULTANTS POLICY