

MANAGEMENT REPORT

Date: March 15, 2023

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Meeting Date: March 22, 2023

TO: Library Board

FROM: Tim Bottomer, Chair, SFHR Committee

SUBJECT: Living Wage Policy Revisions

SUMMARY

This report recommends that the Board direct staff to create an administrative Living Wage Employer policy to replace the existing Board policy, and to update the Procurement policy based on the City of Vancouver's amendments.

PURPOSE

The report is for decision.

RECOMMENDATIONS

That the Board direct staff to create an administrative Living Wage Employer policy to replace the existing Board policy, and rescind the current Board policy;

That the Board direct staff to update the VPL Procurement policy, based on amendments to the City of Vancouver's Procurement policy.

COMMITTEE DISCUSSION

The Committee discussed procedural and historical issues related to the two policies and coordinating with the City of Vancouver's revisions of the Procurement policy.

BOARD POLICY

The Guidelines on the Relationship between Vancouver City Council and the Vancouver Public Library Board (2008) includes the following terms relevant to Living Wage discussions:

- The Vancouver Public Library will, where appropriate, adhere to Council policies. Any financial policies will be within the authority limits set by Council.
- The Library Board's purchasing policies will follow City policy and practice for awarding contracts.
- The Library will maintain close liaison with the City Human Resources Department to ensure that Library personnel policy and practice do not unnecessarily conflict with City policy and practice.

INDIGENOUS CONSIDERATIONS

The 2021 Employee Benchmark Survey found that 2% of VPL's staff identify as Indigenous, and some of these staff may work within the classifications affected by the Living Wage Employer policy. VPL does not have information about the number of contracted Indigenous staff who will be affected by the changes to the Procurement policy.

BACKGROUND

The Living Wage for Families program encourages employers to pay a living wage, and also advocates for government policies that would help families make ends meet. The City of Vancouver became a certified Living Wage Employer in 2017, and the VPL Board passed the Living Wage Employer policy in May 2017. In 2019, the living wage rate for the Metro Vancouver region decreased by 6.7% due to the BC Government's investment that year in childcare programs. In 2020, due to the uncertainty and emergency government response initiatives related to the COVID 19 pandemic, the living wage rate remained unchanged. In 2021, the living wage rate for the Metro Vancouver region was calculated at \$20.52 per hour. On November 17, 2022, the living wage rate increased 17.35% for the Metro Vancouver region to \$24.08 per hour.

DISCUSSION

On February 22, 2023, the VPL Board agreed to align VPL's approach with City Council's decisions related to living wage, and directed staff to work with the City of Vancouver on implementation and communication. The City of Vancouver has established a revised approach to support the Living Wage program, implementing a 5-year moving average living wage to be used as the standard to pay fair wages to direct employees and contracted service providers.

The existing VPL Living Wage Employer Board policy (Appendix A) is a procedural document related to the 2017 implementation, and staff recommend that this be replaced with an operational policy and associated procedures. The VPL Procurement policy (Appendix B) is based on the City of Vancouver Procurement policy, and reflects the City of Vancouver's terms and authority limits. Staff recommend that VPL incorporate the City of Vancouver's amendments related to living wage into the VPL Procurement policy.

FINANCIAL IMPLICATIONS

The decision by the VPL Board to align with the City of Vancouver's approach to living wage does not have significant financial implications, as all employees are currently paid above the rate based on the rolling five-year average of the Living Wage for Metro Vancouver. A new contract for security services is currently in the process of being finalized.

APPENDIX A – LIVING WAGE POLICY



BOARD POLICY

SUBJECT: Living Wage Employer	
CATEGORY: Human Resources	POLICY CODE: VPL-BD-HR-011-2017

Objective

The purpose of the Vancouver Public Library’s Living Wage Policy is to ensure that all Library staff and employees of service providers to the Library, whose engagement with the library meets approved criteria, earn, at a minimum, a living wage.

Scope

This Policy applies to the Vancouver Public Library and its direct employees and to contracts in which Library issues and engages directly and which are valued above \$25,000. City of Vancouver contracts in which the Library participates are addressed through the City of Vancouver’s Living Wage practices.

Definitions (Optional)

Library: Refers to the Vancouver Public Library.

Declaration: A document signed by a service provider confirming their compliance in paying a living wage to their employees covered under this Policy.

Employees: All Union and Exempt staff employed by the Library in either a full-time, part-time or auxiliary capacity.

Global City Contract: A contract that the City of Vancouver negotiates with a service provider and includes the Library within that tender.

Living Wage The hourly wage established by the Living Wage for Families Campaign from time to time, which includes (i) direct wages and (ii) the value of any non-mandatory benefits such as paid sick leave, employer-paid Medical Services Plan premiums and extended health benefits.

Premises: All Library buildings, parking lots, and gardens.

Library Service Providers: Companies and their employees who have a direct business relationship with the Vancouver Public Library and perform services to the Library on Library premises. Excludes service providers whose relationship with the Library derives from a broader Global City Contract.

Living Wage for Families Campaign: A campaigning organisation that signs on employers to pay a living wage as well as advocates for government policies that help families make ends meet.

Sub-Contractors: Companies and their employees that have been sub-contracted by a Library Service Provider. They do not have a direct business relationship with the Library.

Social Enterprise: A business that: (i) is owned by a non-profit organization or community services co-operative; (ii) is directly involved in the production and/or selling of goods and services for the combined purpose of generating income and achieving social, cultural, and/or environmental aims; and (iii) has a defined social and/or environmental mandate.

Student: An individual who is enrolled in a school, college, university or other educational institution and is employed by a vendor or a subcontractor of a vendor, as the case may be, to obtain practical workplace experience as a requirement of or for credit for their education.

Policy Statements

The Library maintains practices in alignment with the Living Wage for Families Campaign. Existing contracts still in force at the time of implementation will be grandfathered until such time as the contract expires or is renegotiated, whichever comes first.

The Living Wage will be calculated annually by the Living Wage for Families Campaign as noted above.

Employees

- This Policy will encompass all Employees with the following exclusions:
 - Students seeking work experience credits for educational purposes;
 - Volunteers;
 - Employees of organizations (for-profit or not-for-profit) that lease space / property from the Library or City.
- The Library will annually review Employees' wages to ensure rates are maintained at or above the current Living Wage rate. Subsequent to receiving notification of the new annual Living Wage rate, the VPL's Human Resources Section will review the lowest classification rates by employee group, for all bargaining and exempt employees that are covered by the Living Wage certification. Any pay rates which, combined with the relevant non-mandatory benefits, do not meet or exceed the current Living Wage rate will be adjusted annually

Service Providers and Sub-contractors

- The Library's participation in Global City Contracts are subject to the City's Living Wage practices.
- The Library has established the following criteria to determine a Library Service Provider's or Sub-contractor's eligibility under the Living Wage Policy:
 - Annual service contract value in excess of \$25,000;
 - Service is provided in or on Library premises;

- Service is provided on a regular ongoing basis – Library Service Provider and Sub-contractors must perform services over 120 hours per year; and
 - Work must last longer than one continuous hour per occasion.
- The Library and the Living Wage for Families Campaign acknowledge there are certain contracted service staff that are appropriately exempted from the Living Wage commitment:
 - Ad hoc contract work (for example emergency or non-recurring repairs or maintenance where no standing contracts are in place);
 - Social Enterprise (as long as no more than 10 per cent of employer's total procurement);
 - Multiple small contracts. For large employers, where a contract makes up no more than half a percentage of its annual purchasing budget;
 - Employees of organizations (for profit or not-for-profit) that lease or use property from the Library.
- The Library will maintain language related to this Living Wage Policy in its Procurement Policy.
- The Library requires all Service Providers and Sub-contractors, whose services fall within the parameters established within this policy, to be compliant for the duration of their contract with the Library. Any existing contracts that are in place at the time of inception of this policy will not require immediate compliance should their wage rates be lower than that established Living Wage rate. However, a contract will require compliance at time of renewal.
- The Library will incorporate into all of its competitive bid documents (Invitations to Tender, Requests for Proposal, Requests for Quotation, etc.) language requiring that the supplier must meet the Living Wage requirements. A sample Declaration to be signed as part of the Service Provider's contract with the Library will be included in the bid documents.
- The Library will enforce the Living Wage Policy by performing audits of Service Providers and Sub-contractors when notification of non-compliance is received by the Library. These audits may take the form of a review of paystubs issued by the vendor under review or any other means pertinent to arriving at a determination.

Non-compliance Consequences

Non-compliance may result in the cancelation of the contract at the discretion of the Library.

Policy Administration Roles and Responsibilities

Chief Librarian:	Oversees and updates the policy as required.
SFHR Committee	Reviews policy as required and recommends changes to the Board
Board	Approves policy and revisions to the policy
Director of Corporate Services and Facilities and Director of Human Resources	Administers the policy.

Related Policy

- Procurement Policy (Board Policy)

Approval History

ISSUED BY: SFHR	APPROVED BY: Library Board	DATE:	2017/05/24
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DATE OF NEXT REVIEW	2022/05/24	REVIEW CYCLE: 5 YEARS
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APPENDIX B – PROCUREMENT POLICY



SUBJECT: Procurement Policy	
CATEGORY: Board	POLICY CODE: VPL-BD-Finance-001-2016

Objective

This policy sets out the requirements for the procurement of goods, services and construction as well as the disposal of surplus assets for the Vancouver Public Library (also referred to as the “Library”).

The Library, in the performance of the duties and responsibilities assigned to it, must engage in the procurement of goods, services and construction. In order to achieve the maximum economy, efficiency, effectiveness, and sustainability (social, environmental & economic) in the performance of this function, the Library and the City of Vancouver have endorsed certain fundamental principles it considers applicable to public purchasing.

Legal

The *Library Act* (British Columbia) states that the Vancouver Public Library Board (the “Board”) has, subject to the approved budget, exclusive control over Library expenditures. The intent of this policy is to set out the extent of certain Library employees’ and officers’ restricted legal authority to undertake the actions expressly authorized under this policy.

Scope

This policy applies to the procurement of goods and services (including consulting services) and construction for the Library. This policy is intended to align with the City of Vancouver’s Procurement Policy (ADMIN-008).

Administration Of Policy

The Director of Corporate Services and Facilities is the owner and administrator of this policy. Except where separately authorized by the Director of Corporate Services and Facilities, all procurement and disposition activities are to be administered by the Library’s Manager of Facilities and Purchasing.

Administration Of Contracts

Following the Manager of Facilities and Purchasing’s exercise of their primary authority over the Call, and where a Contract results from the Call, the Director of Corporate Services and Facilities will have the primary responsibility for proper administration and enforcement of the Contract, subject to the City’s Legal Services Policy (where a legal

enforcement step is required) and subject to this policy (where any change to the Contract requires the approval of the Manager of Facilities and Purchasing).

Transactions Not Subject to this Policy

The following Contracts and types of transactions are not covered by this policy (but may be governed by other applicable Board policies):

- Purchase of regulated tarified services (e.g. electricity, transmission portion of natural gas, cable, tariff portion of non-wireless telecommunications services);
- City Initiated Contracts not affecting Library interests;
- Grants or transfers to the Library from other governmental authorities;
- Grants from the Library to non-governmental third parties authorized by the Board;
- Tax rebates;
- Grants or donations to the Library from non-governmental third parties;
- Grants, payments, or donations to the Library from non-governmental third parties including agreements having as their primary purpose; sponsorships, naming rights, or event or sport hosting rights;
- Real property acquisitions (including leases, licences, purchases, easements, and rights of way);
- Real property dispositions where the disposition is not by way of a formal Invitation to Offer (ITO);
- Retaining external legal counsel and related experts (such as expert witnesses) in the course of providing legal advice to the Library;
- Library media including books and digital content; and
- Advertising space in targeted media.

Interpretation/Definitions

Interpretation:

- (i) All references in this policy to an employee, official, officer or other representative of the Library are deemed to include any designate, deputy, or anyone else properly authorized in writing by the Board or Chief Librarian to act in that person's position.
- (ii) Where a position title or name is changed following the adoption of this policy, due to a re-organization of the Library's functions, or for any other reason, the Chief Librarian will have the authority to amend this policy to reflect such change or re-organization.
- (iii) The Chief Librarian will have the authority (in consultation with the Director of Corporate Services and Facilities) to approve (in writing) any request from a Library Director to sub-delegate any authority granted in this policy to a Library Director.

Definitions: In this policy, the following terms have the following meanings:

Award: The business decision, as authorized under this policy, to enter into a Contract.

Best Value: The optimal combination of Total Cost of Ownership, Economic Sustainability, Environmental Sustainability and Social Sustainability as determined in accordance with the specific criteria and weighting for each criterion established or

adopted by the Library for the applicable procurement and for Revenue-Generating Contracts and dispositions the highest Total Price after discounting for all applicable criteria being utilized for the Call, such as security for payment, risk of default, social and environmental factors, etc .

Bid: Depending on the type of Call, either (i) a legally binding tender or quotation which upon written acceptance by the Library, automatically creates a Contract, or (ii) a non-binding quotation or proposal which forms a basis of a negotiated Contract, or (iii) any non-binding pre-qualification submission or expression of interest or request for information which may form the basis of a subsequent Call.

Bid Committee: The committee established under Section 12 of this policy.

Bidder: Any legal entity submitting a Bid in response to a Call.

Call: Any request or invitation by the Library for a Bid (for example, requests for proposal, requests for expressions of interest, invitations to tender, invitations to quote, and invitations to offer).

Chief Librarian: The person appointed by the Board as the Chief Librarian pursuant to the Library Act.

Chief Procurement Officer: The person designated from time to time by the City Manager to oversee and lead Supply Chain on behalf of the Library and others.

City: The City of Vancouver.

City SCM Manager: The position within Supply Chain, designated by the Chief Procurement Officer to conduct and oversee procurement, warehousing and logistics activities on behalf of the City.

City Initiated Contracts: Contracts for the purchase of City-wide goods and services (for example janitorial, security) that are procured by Supply Chain.

City Manager: The person appointed by Council pursuant to section 162A of the Vancouver Charter as City Manager.

City Solicitor: The person appointed by Council as the City Solicitor.

Commitment Authority: The authority to Award a Contract.

Construction: Construction, reconstruction, deconstruction, demolition, repair or renovation of a building, structure, infrastructure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure, infrastructure or other civil engineering or architectural work, but does not include professional consulting services related to the construction Contract unless they are included in the Contract (for example a design-build Contract).

Contract: A contract for the purchase by the Library of goods, services or construction or for the disposition of assets by the Library. For further certainty, a Contract includes documents that create or modify or may create or modify legal rights and obligations:

- purchase order
- work order
- change order
- memorandum of understanding, letter of understanding, letter of intent, or similar
- standing offer
- supply arrangement
- notice or other communication to a prospective supplier prior to a Contract, including notice to award, conditional notice to award, notice or permission to proceed or start work prior to Award or Contract
- assignment or consent to assignment of a Contract
- security for performance of a Contract such as a letter of credit, bond, insurance, deposit, security interest, and other financial instruments, and
- renewals, extensions, modifications or amendments to any of the above.

Co-operative Purchasing: Procurement by the Library in cooperation with other Public Sector Entities.

Council: The elected council of the City of Vancouver.

Director of Corporate Services and Facilities: The person appointed by the Chief Librarian as the Library's chief financial officer.

Director of Finance: The person appointed by Council pursuant to section 210 of the Vancouver Charter as the Director of Finance.

Economic Sustainability: Providing and enhancing the services, infrastructure and conditions that sustain healthy, diverse and resilient local economy in which businesses of all sizes, and their employees, can flourish.

Environmental Sustainability: Protecting and enhancing the climate, ecology and natural resources for future generations through approaches that reduce carbon dependency, enhance energy resilience, conserve energy and resources and reduce waste and toxins.

Extension: Any extension or renewal or other amendment to a Contract which results in the Maximum Contract Term being lengthened (and "Extend" will have the analogous meaning).

Funding Authority: Means that there is sufficient and authorized budget for the Contract anticipated by the Call and that the funding is confirmed and approved for expenditures:

- with respect to the Library, in full compliance with the Capital Budget Policy and Operating Budget Policy,
- with respect to all Library staff, in full compliance with the expenditure limits and controls outlined in the Expenditure Authority and Financial Control Policy.

Library Director: An employee appointed by the Chief Librarian as a library director, where the Chief Librarian has expressly delegated to that employee (or employee's position) the Commitment Authority referred to in Column 2 of Table 1 of this policy.

Library Specific Contracts: Means any Contract entered into pursuant to this policy that is not a City Initiated Contract.

Living Wage: The hourly wage established by the Living Wage for Families Campaign from time to time, which includes (i) direct wages; and (ii) the value of any non-mandatory benefits such as paid sick leave, employer-paid Medical Services Plan premiums and extended health benefits.

Living Wage Employee: Any and all employees of a vendor and subcontractors of vendors that perform services on a property owned by or leased to the Library or the City for at least one consecutive hour, but excluding Students, volunteers and employees of Social Enterprises.

Maximum Contract Term: Means the maximum years (including all options to extend or rights of renewal) in respect of a Contract as set by this policy, which for professional and other services is set by the Library Act (currently 5 years).

Manager of Facilities and Purchasing: The person holding the position whose responsibility it is to supervise and carry out the procurement function on behalf of the Library in accordance with this policy, and includes their designate.

Permitted Sole Source: A sole source Contract of the type described in section 9.1 below.

Person with Barriers to Employment: a person who faces one or more circumstances that can lead to underemployment or unemployment.

Public Sector Entities: Other municipal, regional, provincial, federal, or governmental authorities or entities carrying out a public function.

Response: The submission of a Bid in response to a Call.

Revenue-Generating Contract: Any Contract which requires or contemplates revenues derived from the Contract to be paid to the Library or to the City.

Signing Authority: The authority to execute and deliver the Contract.

Social Enterprise: A business that: (i) is owned by a non-profit organization or community services co-operative; (ii) is directly involved in the production and/or selling of goods and services for the combined purpose of generating income and achieving social, cultural, and/or environmental aims; and (iii) has a defined social and/or environmental mandate.

Social Sustainability: Cultivating and sustaining vibrant, creative, safe, affordable and caring communities for the wide diversity of individuals and families who live in, work in and visit Vancouver and beyond. For a community to be socially sustainable the basic

needs of its residents must be met, it must be able to maintain and build on its own resources and prevent and/or address problems as they arise.

Social Value: Contributing positively to the health and well-being of individuals and communities by addressing issues such as poverty, social exclusion and isolation.

Solicitation: The process of communicating the Call to prospective Bidders.

Student: An individual who is enrolled in a school, college, university or other educational institution and is employed by a vendor or a subcontractor of a vendor, as the case may be, to obtain practical workplace experience as a requirement of or for credit for their education.

Supply Chain: The Supply Chain Management, Warehouse Operations, Inventory and Logistics division within the Finance, Risk & Supply Chain Management group of the City.

Sustainability: Meeting the social, environmental and economic needs of the present without compromising the ability of future generations to meet their needs.

Total Price: The estimated amount payable for all goods, services, and construction under the Contract over the entire term of the Contract (but not including options to purchase additional goods or services during the term which may or may not be exercised; nor including the value of goods, services and construction for any renewed optional Contract term, and not including any sales or other taxes payable). For Revenue-Generating Contracts, the estimated or anticipated gross revenue to be received by the Library over the Maximum Contract Term. For dispositions or sales of assets, the estimated total price payable by the purchaser to the Library for the asset.

Total Cost of Ownership: The direct social, environmental and financial costs and benefits to the Library of products, construction and services during their acquisition, use and end-of-life phases (i.e. lifecycle costs) including factors such as transportation emissions, training, economic development impacts, energy consumption, disposal and other related costs after taking into account Sustainability, reduced carbon dependency, and Zero Waste.

Un-Solicited Proposals: An un-solicited proposal received by the Library independently of a Call. Un-Solicited Proposals are typically submitted by third parties wishing to sell certain goods or services to the Library.

Zero Carbon: Eliminating the dependence on fossil fuels and minimizing the release of greenhouse gases by reducing energy demand and converting to renewable energy sources and low carbon fuels.

Zero Waste: Eliminating solid waste by reducing the demand for new goods and materials, reusing old goods, materials and component parts and recycling and composting remaining materials. Residual waste is minimal.

Policy Statements

1 Goals

- 1.1 An open transparent, competitive procurement process that:
 - provides best value for the Library, the City and its citizens;
 - minimizes Total Cost of Ownership
 - incorporates wherever possible, sustainability and ethical procurement considerations as integral evaluation components in supply selection;
 - applies best practices; risk mitigation strategies and strong financial controls to the procurement process.

- 1.2 Ensure compliance with the Library's policies, City bylaws, the Library Act, collective agreements, inter-provincial, national, and international trade agreements that are binding on the Library and City and all other Provincial and Federal laws and regulations that apply to the procurement of goods, services and construction

- 1.3 Maximize Best Value and minimize Total Cost of Ownership by:
 - 1.3.1 ensuring that the Library utilizes the Manager of Facilities and Purchasing to conduct all Calls and wherever possible avoid sole source Contracts and avoid Calls that do not utilize the expertise of the Manager of Facilities and Purchasing,
 - 1.3.2 ensuring that the terms of Contracts, and the frequency with which the Library undertakes competitive Calls for each category of goods, services or construction is optimized to obtain Best Value and minimize Total Cost of Ownership, and
 - 1.3.3 where appropriate the Manager of Facilities and Purchasing will seek advice from Supply Chain.

2 References

This policy must be read and applied in conjunction with the following policies:

- Guidelines on the Relationship between the Vancouver Public Library and the City of Vancouver;
- Expenditure Authority and Financial Control Policy;
- Operating Budget Policy;
- Capital Budget Policy;
- The City's Energy Efficiency Purchasing Policy (AF-013-01);
- The City's Ethical Purchasing Policy (AF-014-01) - demonstrates a commitment to sustainability by seeking to ensure safe and healthy workplaces for the people who make products for the Library, where human and civil rights are respected;
- The City's Supplier Code of Conduct - sets the minimum performance standards for Library and City suppliers;
- The City's Purchasing Cards Policy and Procedure (AF-010-01); and
- Code of Conduct Policy.

3 City Solicitor Requirements

- 3.1 All Contract, Call and Award documents will be on standardized templates with standard terms and conditions approved by the City Solicitor. Any deviations from the standardized terms and conditions or any material deviation from the approved use of such documents requires the prior review and approval of the City Solicitor.
- 3.2 The concurrence of the City Solicitor is required on the Award of any Contract which has a Total Price in excess of \$2,000,000.
- 3.3 Any continuous and repetitive series of contracts that appear to be structured so as to avoid the approval requirements set out in this policy will be reviewed by the Manager of Facilities and Purchasing and reported to the Director of Corporate Services and Facilities, the Chief Librarian and the City Solicitor.

4 Competitive Bidding and Maximum Contract Term

4.1 General Policy is Open, Public, Competitive Call

Except where otherwise permitted in this policy, the Library will procure all Contracts through and open, public, competitive Call.

4.2 General Policy is to Limit Contract Term to Maximize Competitiveness

In furtherance of Sections 1, 3.1, and 12, the Manager of Facilities and Purchasing will set the Maximum Contract Term for each Call, in consultation with the Director of Corporate Services and Facilities. For proposed Maximum Contract Terms of ten (10) years or greater, such terms will be approved by Bid Committee before Calls being issued by the Manager of Facilities and Purchasing. In the event of any disagreement, the Bid Committee will determine the Maximum Contract Term. Notwithstanding the foregoing, the Library will comply with any restrictions on contracting set out in the Library Act, which currently provides that the Board may contract for professional or other services for Library purposes for a term of not more than (5) five years.

4.3 No Public Call on Purchases \$75,000 (\$200,000 for Construction) or Less

The Manager of Facilities and Purchasing will endeavor to obtain three bids for Contracts that are expected to have a Total Price of no more than \$75,000 for goods and services or no more than \$200,000 for construction. The Manager of Facilities and Purchasing may obtain prices from internal price records or sources or solicit prices from known suppliers.

4.4 Public Calls for Purchases over \$75,000 (\$200,000 for Construction)

The Manager of Facilities and Purchasing will endeavor to procure Contracts that are expected to have a Total Price of more than \$75,000 for goods and services or more than \$200,000 for construction through a public Call. Solicitation will be by way of posting the Call particulars through an electronic bidding system accessible to the general public. In addition to posting through

the electronic means, local, regional, national, or international advertising may be carried out at the discretion of the Manager of Facilities and Purchasing where it is deemed appropriate.

5 Call Issuance Authority and Commitment Authority Limits

- 5.1 Except where expressly granted under this policy, only the Board or Council has Commitment Authority, Signing Authority, or the authority to issue a Call.
- 5.2 The Manager of Facilities and Purchasing has the exclusive authority to issue any Call once Funding Authority is established. However, for any Call that is designed to procure multiple Contracts (for example requests for standing offers, requests for applications, multiple vendors or split Awards) which are reasonably estimated to exceed \$750,000 in aggregate, such Calls will be approved by the Bid Committee before being issued by the Manager of Facilities and Purchasing with subsequent Commitment Authority and Signing Authority for each Award being authorized in accordance with Table 1.
- 5.3** Each of the Library positions set out in Table 1 below has the Commitment Authority set out in Table 1, subject to the following conditions:
 - (a) The Contract does not exceed the Total Price indicated in Table 1 below for the member or committee.
 - (b) The Contract term does not exceed the Maximum Contract Term.
 - (c) There is Funding Authority for the Contract.
 - (d) The Manager of Facilities and Purchasing has determined in good faith that the Contract represents Best Value to the Library based on the criteria set out in the Call documents.
 - (e) Where the Total Price is over \$2,000,000, the City Solicitor has concurred on the Award.
- 5.4 Awards that do not meet the criteria set out in Section 5.3 above must be approved by the Chief Librarian, in consultation with the Director of Corporate Services and Facilities if the Total Price is \$750,000 or less and by the Board and Council if over \$750,000.

Table 1 – Commitment Authority and Signing Authority

Total Price	Commitment Authority (Award to be approved by all, not just one of the persons named below)	Signing Authority (Contract to be signed by all, not just one of the persons named below)
Up to \$75,000 (Library Specific Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing 	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing
Up to \$75,000 (City Initiated Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing, with the concurrence of a City SCM Manager 	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing, with the concurrence of a City SCM Manager
\$75,001 to \$200,000 (Library Specific Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • a Library Director 	<ul style="list-style-type: none"> • Director of Corporate Services and Facilities
\$75,001 to \$200,000 (City Initiated Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing with the concurrence of a City SCM Manager • a Library Director 	<ul style="list-style-type: none"> • Director of Corporate Services and Facilities
\$200,001 - \$500,000 (Library Specific Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • a Library Director • Director of Corporate Services and Facilities 	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • Director of Corporate Services and Facilities
\$200,001 - \$500,000 (City Initiated Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • a Library Director • Director of Corporate Services and Facilities, with the concurrence of the Chief Procurement Officer 	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • Director of Corporate Services and Facilities
\$500,001 - \$750,000 (Library Specific Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • Chief Librarian • Director of Corporate Services and Facilities 	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • Chief Librarian • Director of Corporate Services and Facilities
\$500,001 - \$750,000 (City Initiated Contracts)	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • Chief Librarian • Director of Corporate Services and Facilities, with the concurrence of the Chief Procurement Officer 	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • Chief Librarian • Director of Corporate Services and Facilities

Total Price	Commitment Authority (Award to be approved by all, not just one of the persons named below)	Signing Authority (Contract to be signed by all, not just one of the persons named below)
\$750,001 - \$2,000,000 (all Contracts)	<ul style="list-style-type: none"> • Bid Committee • Board 	<ul style="list-style-type: none"> • Manager of Facilities and Purchasing • Chief Librarian • Director of Corporate Services and Facilities
Greater than \$2,000,000 (all Contracts)	<ul style="list-style-type: none"> • Board • Council 	<ul style="list-style-type: none"> • Chief Librarian • Director of Corporate Services and Facilities • City Solicitor

6 Signing Authority

Contracts that required the approval/concurrence of the City Solicitor pursuant to Section 3 [City Solicitor Requirements] of this policy must be signed by the City Solicitor in addition to the authorized signatories referred to in Table 1 above.

7 Change Orders (and any other Changes to Contracts)

7.1 This section sets out the limited authority to make any change to any Contract governed by this policy.

7.2 The authority set out in this section is separate and apart from Funding Authority restrictions on capital and operating budget transfers.

7.3 Under Limit Changes: Where a change to a Contract will increase the Total Price but not in excess of the Funding Authority and the change in Total Price will not exceed the materiality thresholds set out in Table 2 below (in the aggregate taking into account all prior changes), the change will be authorized if one of the following conditions are met:

The change is on a form or template

- (i) approved by the City Solicitor and then completed and approved to the satisfaction of the Director of Corporate Services and Facilities or the Chief Librarian, or
- (ii) completed and approved in its completed form by the City Solicitor.

7.4 Over Limit Changes: Where a change to a Contract will increase the Total Price but not in excess of the Funding Authority and the change in Total Price will exceed the materiality thresholds set out in Table 2 below (in the aggregate taking into account all prior changes), the change will be authorized if the following conditions are met:

- (a) The change is on a form or template
 - (i) approved by the City Solicitor and then completed and approved to the satisfaction of the Director of Corporate Services and Facilities or the Chief Librarian, or

- (ii) completed and approved in its completed form by the City Solicitor, and

(b) The change document is approved and signed by the Library persons or bodies set out in Table 1 as having the requisite Commitment Authority and Signing Authority for the change (except that “Total Price” is to be read as “change in Total Price” for the purposes of this section).

Table 2 – Materiality Thresholds

Original Total Price	Materiality Thresholds
Under \$500,000	15% of original Total Price
\$500,000 or More	10% of original Total Price

7.5 Limits are Cumulative - The above materiality thresholds are cumulative and apply to all changes to the Total Price over the term of the Contract and not merely to each individual change.

7.6 Over Funding Authority - Changes to Contracts that increase the Total Price beyond the Funding Authority require further Funding Authority prior to being authorized under this section.

8 Contract Renewals / Extensions

8.1 Contracts may not be extended past the Maximum Contract Term except where expressly authorized in this Section 8.

8.2 Contracts may only be Extended where one of the following conditions are met:

- (a) The extension is a Permitted Sole Source.
- (b) There is (or is about to be) a new Call for the goods or services being provided under the expiring Contract and the Extension is approved by the Manager of Facilities and Purchasing so as to provide time to complete the new Call.

9 General Exceptions to Competitive Process – Permitted Sole Source.

9.1 Permitted Sole Source

Despite Section 4.1 above, competitive bidding is not required and a Contract may be sole sourced (“Permitted Sole Source”) if

- (a) Urgent Life & Safety Matter - all of the following conditions have been met:
 - (i) the Chief Librarian, in consultation with the City Manager (if the Total Price exceeds \$500,000) or the Director of Corporate Services and Facilities, with concurrence of the Chief Librarian (if the Total Price is not more than \$500,000) has determined that

goods, services or construction are urgently required and bypassing the Library's competitive procurement process is, in the Chief Librarian's or the Director of Corporate Services and Facilities' determination, as applicable, reasonably necessary to protect human life or health;

- (ii) the Manager of Facilities and Purchasing has received written confirmation of the Chief Librarian or Director of Corporate Services and Facilities' determination, as applicable, in section i. above;
 - (iii) The Manager of Facilities and Purchasing posts (as soon as practical in the circumstances) a Notice of Contract on the City web-site or such other public forum as the Manager of Facilities and Purchasing may deem appropriate, advertising the Library's decision to enter into a Contract without a public competitive procurement process;
 - (iv) The form of Contract has been approved by the City Solicitor; and
 - (v) The Contract is approved and executed in accordance with Table 1 (Commitment Authority and Signing Authority) according to the Total Price of the sole source Contract, except that where the approving authority is the Board, Council or Bid Committee, the Contract may instead be approved and signed by the Chief Librarian and Director of Corporate Services and Facilities (if over \$500,000) or a Library Director and the Director of Corporate Services and Facilities (if not over \$500,000),
- (b) Single-Supplier or Other Exigent Circumstances Precluding an Effective Competitive Procurement - all of the following conditions have been met:
- (i) The Manager of Facilities and Purchasing has determined that the contemplated sole source will obtain Best Value for the Library and will not violate any applicable trade agreement governing the Library;
 - (ii) The Manager of Facilities and Purchasing has posted (for at least 14 days or such longer period as the Manager of Facilities and Purchasing considers appropriate in the circumstances) a Notice of Intent to Contract on the BC Bid and/or City web-site or such other public forum as the Manager of Facilities and Purchasing may deem appropriate, advertising the Library's intent to enter into a contract without a public competitive procurement process (except where the contemplated sole source is of a confidential or privileged nature and disclosure could reasonably be expected to compromise Library confidentiality, cause adverse economic consequences, or otherwise be contrary to the public interest);
 - (iii) No complaints or concerns have been lodged in response to the Notice of Intent to Contract referred to in Section 9.1(b)(ii) (or if there have been any such communications, the person or body referred to in Table 1 as having the requisite Commitment Authority has reviewed such communications and has authorized the sole source to proceed);

- (iv) The form of Contract has been approved by the City Solicitor; and
 - (v) The Contract is approved and executed in accordance with Table 1 as to Commitment Authority and Signing Authority according to its Total Price;
- (c) Where the Total Price does not exceed \$10,000, the Contract is on a template approved by the City's legal department or otherwise approved by the City Solicitor, and the Manager of Facilities and Purchasing is satisfied that the Total Price is Best Value;
 - (d) The purchase is of 'goods via auction', used goods or distress sale goods, the Manager of Facilities and Purchasing is satisfied that the Total Price is Best Value, the terms of the Contract have been approved by the City Solicitor, and the Contract has been approved and executed in accordance with Table 1 as to Commitment Authority and Signing Authority according to its Total Price; or
 - (e) The sole source purchase is made by a Library employee using an employee credit card in strict accordance with the Library's policy on the use of such credit cards. See the City's Corporate Purchasing Cards Policy (AF-010-01).

10 Monitoring and Review

Application of the Procurement Policy will be monitored and reviewed by the Manager of Facilities and Purchasing who will annually report to the Library's Directors Group on procurement activities of the Library for the previous year.

11 Sustainable and Ethical Procurement

- 11.1 Sustainable and ethical procurement aligns the Library with the City's overall approach to procurement and the City's Corporate Long-Term Priorities related to people, prosperity and the environment as expressed in the City's Corporate Strategic Business Plan.
- 11.2 The Library intends to formally recognize and reward within the supplier selection process excellence and innovation among suppliers who demonstrate leadership in sustainability, environmental stewardship, enhancing Social Value and fair labour practices.
- 11.3 The Library is committed to safe and ethical workplaces, where human and civil rights are respected. The Library will endeavor to ensure that all its suppliers meet and where possible, exceed the performance standards outlined in the City's Supplier Code of Conduct.
- 11.4 The Library is committed to maximizing environmental and social benefits and minimizing costs to the Library and the City through product and service selection. The Library will use the City's minimum specifications for goods and services that achieve environmental benefits such as Zero Carbon, Zero Waste, water and resource conservation, reduced toxicity, pollution and other environmental attributes; as well as social benefits such as employment for Persons with Barriers to Employment and support for Social Enterprises.

Minimum specifications for key product and services categories will be maintained by the City and updated and periodically presented by the City to Council for endorsement.

- 11.5 The Library will use, where appropriate, an evaluation model that incorporates the Total Cost of Ownership of products and services including environmental, social and economic costs and benefits (where reasonably quantifiable). These costs will be factored into the vendor pricing, evaluation and selection process.
- 11.6 The Library will give preference where feasible, to products and services that represent a non-carbon alternative, are carbon neutral, or that minimize greenhouse gas emissions and thereby contributes to reducing the carbon footprint of the Library and the City.
- 11.7 The Library will work collaboratively with suppliers to improve the environmental performance and positive social benefits of products and services and ensure compliance with the City's Supplier Code of Conduct.
- 11.8 The Library will select suppliers based on best value both in terms of the supplier's overall social and environmental performance and the social and environmental attributes of the goods and/or services. Efforts to reduce the overall environmental impacts of their operations and/or create positive Social Value in the community above and beyond the minimum requirements of this policy and the City's Supplier Code of Conduct will be taken into consideration.
- 11.9 Within the limits set out by applicable trade and investment legislation, and the Vancouver Charter, the Library will seek to identify procurement opportunities that support the development of an environmentally and socially sustainable local economy. The Library will actively work with the supplier community and economic development agencies to identify and capitalize on such opportunities and catalyze industry relationships through hosting supplier forums, creating opportunities for dialogue with existing and potential suppliers and related outreach programs.
- 11.10 Where opportunities exist, the Library will work with other organizations (e.g. municipalities) on monitoring and verification processes to ensure suppliers adhere to all applicable legal requirements and trade agreements.

11A Living Wage

11A.1 This section 11A shall apply to service contracts where:

- the estimated annual value of the contract is greater than \$25,000 for Library specific contracts and \$250,000 for City initiated contracts;
- the services are to be performed on properties owned by or leased to the Library or City, including all streets, sidewalks and other public rights of way; and

- the services are provided on a regular, ongoing basis and the contractor is expected to perform the services for greater than 120 hours per year of the Contract,

but shall exclude:

- emergency or non-recurring repairs or maintenance services where no standing Contract is in place;
- services performed by organizations pursuant to a lease of Library or City property; and
- Contracts with Social Enterprises.

11A.2 The Manager of Facilities and Purchasing shall ensure that all Contracts that meet the criteria set out in section 11A.1 require the contractor to:

- (a) pay no less than the Living Wage to all Living Wage Employees;
- (b) provide the Library or City with sufficient audit rights to confirm compliance with section 11A.2(a); and
- (c) ensure that the requirements of section 11A.2(a) and (b) also apply to any of the contractor's subcontractors.

11A.3 Any exception to this section 11A must be approved in writing by the Chief Librarian following a request from the Manager of Facilities and Purchasing.

12 Bid Committee/ Manager of Facilities and Purchasing

12.1 Establishment of the Bid Committee

The Bid Committee shall be established which will consist of the following representation:

- The City Manager or designate.
- The Chief Librarian or designate.
- The Director of Finance or designate.
- The Director of Corporate Services and Facilities or designate.

12.2 A quorum of the Bid Committee shall be three voting members.

12.3 All business and decisions of the Bid Committee shall be posted on a publicly available source subject to the confidentiality provisions of the Call documents, the Freedom of Information and Protection of Privacy Act, and any other applicable law.

12.4 Authority of the Bid Committee

Subject always to the limits set out in Table 1 of section 5 above, the Bid Committee is authorized to make an Award of a Contract, if all of the following conditions are met:

- The Manager of Facilities and Purchasing, after consulting with the Chief Librarian or designate, has recommended the Award in the report submitted as being in compliance with the terms of the Call;
- All voting members of the Bid Committee who are present at the meeting vote in favor of the Award.

12.5 Extended Authority of Bid Committee during Board/Council Recess

Where an Award is required to be authorized by the Board or by Council and is being considered for approval by Bid Committee at a time when the Board or Council is not scheduled to meet for another 4 weeks (as measured from the date the matter is brought to Bid Committee) such as for example (but without limitation) during the summer recess or winter holiday recess, the Bid Committee is authorized to make the Award on behalf of the Board and/or Council, as applicable.

12.6 If the Bid Committee makes an Award under Subsection 12.5, the Award shall be reported by the Director of Corporate Services and Facilities to the Board at the next Board meeting.

12.7 The Bid Committee shall meet on an as needed basis to make Awards. Any Award may be referred to the Board and/or Council at any time in the Bid Committee's sole discretion.

12.8 Manager of Facilities and Purchasing

The Manager of Facilities and Purchasing shall have the authority and be responsible for:

- Determining, in accordance with policies and directives as may be adopted or provided from time to time by the Board, the appropriate form and method by which all goods, services and construction shall be procured and by which surplus assets will be disposed of on behalf of the Library, including the form of any Call document or Contract (provided it is also approved by the City Solicitor), the circumstances and means for the pre-selection of goods and services and the pre-qualification of Bidders.
- Compiling and maintaining a compendium of all policies adopted by the Library and the City from time to time affecting the procurement process and communicating such policies to Bidders and all staff involved in the procurement process.
- The solicitation of Bids for the acquisition of goods, services or construction; the disposition of surplus assets; as well as real property dispositions related to ITOs.
- Determining the method and scope of solicitation, including, without limitation, by public advertising, mailing invitations, posting notices, telecommunicated messages or any combination or all of these.
- Scheduling the place, date and time for the receipt and opening of Bids.
- Determining whether recommendations for an Award should appropriately go to the Bid Committee or Board and Council as the case may be and as determined by this policy.

- Reporting to the Bid Committee on all Bids where the Bid Committee has authority to make an Award.
- Providing advice and support to the Bid Committee.
- Reporting on, along with the Chief Librarian, all Bids which must be reported to the Board or Council.
- Generally monitoring, supervising and reporting to the Library's Directors Group as required from time to time, on the procurement process.
- Acting on behalf of other public bodies when requested to do so by such bodies and where authorized by this policy or the Board.
- Drafting and finalizing procedures and guidelines in respect of any aspect of the procurement process, including any of the listed responsibilities of the Manager of Facilities and Purchasing in this section, and ensuring appropriate communication of such procedures and directives to staff and to the public.
- Undertake a comprehensive review of this policy and all policies affecting the procurement process every five years to ensure that they are in line with the City's Procurement Policy and other Library policies.

12.9 Authority of Manager of Facilities and Purchasing to pre-select and to pre-qualify The Manager of Facilities and Purchasing shall be authorized to determine:

- The selection of specified equipment and materials, if required in the opinion of the Chief Librarian, for incorporation in any Call; and
- In consultation with the Library Director initiating the Call, those Bidders meeting the requirements of any pre-qualification Call as a basis for the issuance of any subsequent Call for the submission of Bids.

12.10 Manager of Facilities and Purchasing and Opening of Responses

- Responses received by the Manager of Facilities and Purchasing in the location specified in the Call before the time stipulated for receipt will be opened by the Manager of Facilities and Purchasing or designate at the time and location specified in the Call, and the names of the Bidders will be recorded.
- The prices contained in Bids will also be recorded but only where deemed appropriate in the sole discretion of the Manager of Facilities and Purchasing.

12.11 Cancellation of Calls

The Manager of Facilities and Purchasing shall be authorized to cancel any Call where:

- (a) There is a request by the Library Director who initiated the Call and responses are greater than the Funding Authority for the Award in respect of the Call; or
- (b) In the opinion of the Manager of Facilities and Purchasing or the Library Director responsible for the Call:

- i. A change in the scope of work or specifications is required and therefore a new Call should be issued; or
 - ii. The goods, services or construction to be provided by the Call no longer meet the Library's requirements; or
- (c) In the opinion of the Manager of Facilities and Purchasing the integrity of the Call process has been compromised.

13 Surplus Asset Disposal of Assets Owned by the Library

- 13.1 If any materials or equipment owned by the Library are declared by the unit head having control over them to be surplus to present and future unit requirements, and are declared by the Manager of Facilities and Purchasing to be surplus to present and future Library requirements, the Manager of Facilities and Purchasing may either dispose of the materials or equipment by public auction (through the City) or solicitation deemed appropriate by the Manager of Facilities and Purchasing in the circumstances.
- 13.2 Funds received for the disposal of surplus materials and equipment will be credited back to the Library cost center where the asset originated from prior to being declared surplus.
- 13.3 In exceptional circumstances, surplus assets may be transferred gratuitously to a not-for-profit organization or public agency or sold at less than fair market value when, in the opinion of the Manager of Facilities and Purchasing, such action serves the public interest better than sale on the open market, provided always that the Contract transferring the asset is signed by the Chief Librarian and the Director of Corporate Services and Facilities.
- 13.4 Surplus assets will be segregated for reuse or recycling and those, which are classified as electronic waste, will be recycled according the appropriate governing guidelines for e-waste and in a manner that ensures that toxic products are not sent to landfill.

14 Co-operative Purchasing

- 14.1 The Manager of Facilities and Purchasing may participate in Co-operative Purchasing.
- 14.2 All Call documents and Contracts relating to Co-operative Purchasing must be reviewed and approved by the Director of Corporate Services and Facilities prior to the Manager of Facilities and Purchasing participating in a Co-operative Purchasing process.
- 14.3 Subject to Sections 14.1 and 14.2, the provisions of this policy apply to the rights and obligations assumed by the Library with respect to any Co-operative Purchasing process.

15 Un-Solicited Proposals

- 15.1 All Un-Solicited Proposals are to be forwarded to and reviewed by the Manager of Facilities and Purchasing.
- 15.2 The Manager of Facilities and Purchasing must review each Un-Solicited Proposal and assess same applying the following criteria:
- (a) The Un-Solicited Proposal appears to offer something unique or innovative that the Library does not typically acquire by way a Call,
 - (b) The Un-Solicited Proposal appears to offer something that is aligned with the Library's corporate and policy goals.
- 15.3 Where the Un-Solicited Proposal does not, in the Manager of Facilities and Purchasing's view, satisfy both of the criteria in section 15.2, it will be rejected and notice of same to the third party who submitted it will be issued by the Manager of Facilities and Purchasing.
- 15.4 Where the Un-Solicited Proposal does, in the Manager of Facilities and Purchasing's view, satisfy both of the criteria in section 15.2, it will be forwarded to the Chief Librarian and/or an appropriate committee for comment and decision.
- 15.5 Upon receipt of a report pursuant to section 15.4, the Chief Librarian and/or an appropriate committee will review and then decide to either:
- (a) Not pursue the proposal,
 - (b) Instruct the Manager of Facilities and Purchasing to issue a Call seeking market responses to the goods and services being offered,
 - (c) Instruct the Manager of Facilities and Purchasing to pursue the Un-Solicited Proposal as a Permitted Sole Source.

16 Real Estate Dispositions

All Library real estate transactions are handled by the City of Vancouver.

Policy Administration Roles and Responsibilities

Director, Corporate Services & Facilities	Oversees and recommends updates the policy as required.
Board	Approves policy and revisions to the policy.
Manager, Facilities & Purchasing	Administers the policy.

Related Policies

- Operating City Budget (VPL Board Policy)
- Capital Budget (VPL Board Policy)
- Energy Efficiency Purchasing (City Policy)
- City AF-014-01 Ethical Purchasing (City Policy)
- City AF-010-01 – Corporate Purchase Cards (City Policy)

Approval History

ISSUED BY:	Library Board	APPROVED BY:	Library Board	DATE:	2010/02/24	
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