
PROCUREMENT AND ASSET DISPOSAL AUTHORITY POLICY

Effective Date: June 1, 2024

Approved By: MVRD/GVWD/GVS&DD/MVHC Boards

Policy No. FN-031

PURPOSE

1.1 This Policy:

- a) applies to the Metro Vancouver Regional District (“**MVRD**”), the Greater Vancouver Water District (“**GVWD**”), the Greater Vancouver Sewerage and Drainage District (“**GVS&DD**”), and the Metro Vancouver Housing Corporation (“**MVHC**”) in the performance of their respective duties and responsibilities when engaging in the procurement of Goods, Services and Construction;
- b) outlines the requirements for the procurement of Goods, Services and Construction, as well as the Disposition of Surplus Assets, Obsolete Assets, and Salvage Assets, to achieve overall Best Value for Metro Vancouver; and
- c) outlines certain fundamental principles that Metro Vancouver considers applicable to public procurement.

POLICY GOALS

2.1 The goals of this Policy are as follows:

- a) to achieve an open, transparent, non-discriminatory and competitive process for the procurement of Goods, Services and Construction that provides Best Value for Metro Vancouver and applies leading practices, risk mitigation strategies and strong financial controls to the procurement process;
- b) to ensure compliance with Metro Vancouver’s bylaws, its Board and Corporate Policies, the interprovincial, national and international trade agreements that are binding on Metro Vancouver, and all other provincial and federal laws and regulations that apply to the procurement of Goods, Services and Construction;
- c) to achieve a transparent, non-discriminatory, efficient and effective process for the Disposition of Surplus Assets, Obsolete Assets, and Salvage Assets that provides Best Value for Metro Vancouver and minimizes environmental impacts; and
- d) to optimize Best Value by ensuring that Metro Vancouver utilizes the Procurement Division of the Procurement and Real Estate Services Department (“**PRS**”) to conduct all

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Calls and to oversee the Disposition of Surplus Assets, Obsolete Assets, and Salvage Assets.

DELEGATION OF AUTHORITY

3.1 The following instruments, this Policy and the *Corporate Procurement Policy* provide the delegated authority for Metro Vancouver staff to enter into Contracts for or on behalf of Metro Vancouver:

Metro Vancouver Entity	Delegation Instrument
MVRD	<i>Officers and Delegation Bylaw No. 1208, 2014</i>
GVWD	<i>Officers and Delegation Bylaw No. 247, 2014</i>
GVS&DD	<i>Officers and Delegation Bylaw No. 284, 2014</i>
MVHC	By Resolution

3.2 Nothing in this Policy delegates authority to non-Metro Vancouver staff to approve, Award, execute or enter into Contracts for or on behalf of Metro Vancouver.

POLICY ADMINISTRATION

4.1 The Procurement Division of PRS, overseen by the Director, Procurement, is the owner and administrator of this Policy. Except where separately authorized by a Department Head, the Corporate Solicitor, the CAO, or the Board, all procurement of Goods, Services and Construction and all Dispositions of Surplus Assets, Obsolete Assets, and Salvage Assets are to be administered by the Procurement Division of PRS.

TRANSACTIONS NOT SUBJECT TO THIS POLICY

5.1 The following Contracts and types of transactions are not covered by this Policy (but may be governed by other Board or Corporate Policies or Metro Vancouver bylaws):

- a) the purchase of regulated tariffed services (e.g. electricity, transmission portion of natural gas, cable, tariff portion of non-wireless telecommunications services);
- b) financial grants from other governmental authorities to Metro Vancouver;
- c) financial grants from Metro Vancouver to non-profit organizations as authorized by the Board;
- d) tax rebates;
- e) the procurement of Goods or Services from other governmental authorities;

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- f) Real Estate transactions as governed by the *Real Estate Authority Policy* (No. FN-032) and the *Delegation of Real Estate Authority Policy* (No. FN-033), including the acquisition, disposition, use or management of Real Estate;
- g) sponsorships as governed by the *Sponsorship Policy* (No. FN-008); and
- h) the retention of external legal counsel and related experts (such as expert witnesses) as governed by the *Legal Services Policy* (No. GV-029).

DEFINITIONS AND INTERPRETATION

6.1 Capitalized terms used in this Policy are defined as follows:

“Administrative Amendment” means any change to a Contract that is not a Contract Amendment or a Change Order;

“Approved Budget” means the authorized budget (including any contingency amounts) for the capital project or operating program under which the applicable Goods, Services or Construction will be procured pursuant to this Policy and the *Corporate Procurement Policy*, that is approved for expenditure in accordance with the Board-approved budget;

“Assets” means any items which are considered to have Economic Value to Metro Vancouver, but excluding Real Estate;

“Award” or **“Awarded”** means the decision by Metro Vancouver to enter into a Contract in accordance with this Policy;

“Best Value” means the optimal combination of Technical Value, Economic Value, Environmental Value and Social Value, as determined in accordance with the specific criteria and weighting for each criterion established by Metro Vancouver for the applicable procurement. For Dispositions of Assets, “Best Value” means the optimal combination of Economic Value and Environmental Value;

“Bid” means, in response to a Call, either: (i) a legally binding tender or quotation which upon written acceptance by Metro Vancouver, automatically creates a Contract; (ii) a non-binding quotation or proposal which forms the basis of a negotiated Contract; or (iii) any non-binding pre-qualification submission, expression of interest, or request for information which may form the basis of a subsequent Call;

“Bidder” means any legal entity submitting a Bid in response to a Call;

“Board” means, collectively, the MVRD Board of Directors, the GVWD Board of Directors, the GVS&DD Board of Directors, and the MVHC Board of Directors, or any one of them, as the

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context requires. For the procurement of Goods, Services or Construction, “Board” means the Board of Directors of the Metro Vancouver entity undertaking the procurement;

“**Call**” means a request or invitation by Metro Vancouver for a Bid, including but not limited to requests for proposal, requests for expressions of interest, invitations to tender, invitations to quote, and invitations to offer;

“**CAO**” means the person appointed from time to time as the Chief Administrative Officer or Commissioner, as the context requires;

“**CFO**” means the person appointed from time to time as the Chief Financial Officer;

“**Change Order**” means any change to the scope, specifications, schedule or Total Price of a Construction Contract and in a manner consistent with the original intent of the Construction Contract;

“**Commitment Authority**” means the authority to Award a Contract, including an Administrative Amendment, Contract Amendment or Change Order, as the context requires, in accordance with this Policy and the *Corporate Procurement Policy* or as the applicable Board otherwise directs;

“**Construction**” means the building, erection, installation, repair, addition, renovation, protection, restoration, demolition, deconstruction, decommissioning, or removal of all things, including but not limited to buildings, improvements and other facilities, pipes, roads, reservoirs, tanks, land filling, excavation, landscaping, water and sewerage treatment facilities, pump stations, dams, intake and outfall facilities, dredging, and the related supply of Goods, Services and/or leased equipment;

“**Construction Contract**” means a contract for Construction;

“**Contract**” means a Construction Contract or a Contract for Goods and Services, as the context requires. For greater certainty, a Contract includes documents that create or modify, or may create or modify, legal rights and obligations of the parties to the Contract, including but not limited to any: (i) purchase order; (ii) work order; (iii) Change Order; (iv) memorandum of understanding, letter of understanding, letter of intent, or similar; (v) standing offer; (vi) supply arrangement; (vii) notice or other communication to a prospective supplier prior to a Contract, including a notice to award, conditional notice to award, notice or permission to proceed or start work prior to Award or Contract; (viii) assignment or consent to assignment of a Contract; (ix) security for performance of a Contract such as a letter of credit, bond, insurance, deposit, security interest, and other financial instruments; (x) Contract Amendment; or (xi) Administrative Amendment;

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“Contract Amendment” means any change to the scope, specifications, schedule or Total Price of a Contract for Goods and Services and in a manner consistent with the original intent of the Contract for Goods and Services;

“Contract for Goods and Services” means a contract for the supply (by way of sale, conditional sale, lease or otherwise) of Goods and/or Services;

“Contracting Authority” means the authority to execute and deliver a Contract, including an Administrative Amendment, Contract Amendment or Change Order, as the context requires, in accordance with this Policy and the *Corporate Procurement Policy* or as the applicable Board otherwise directs;

“Co-operative Procurement” means the procurement of Goods, Services or Construction in cooperation with other governmental authorities;

“Corporate Procurement Policy” means the *Delegation of Procurement Authority Policy* (No. FN-034) as amended or replaced by the CAO from time to time;

“Corporate Solicitor” means the person appointed from time to time as the Corporate Solicitor;

“Department Head” means the following Metro Vancouver officials, as the context requires: (i) a General Manager; (ii) a Deputy CAO; or (iii) a Deputy General Manager;

“Deputy CAO” means the person(s) appointed from time to time as the Deputy Chief Administrative Officer;

“Deputy General Manager” means the person appointed from time to time as the Deputy General Manager of the applicable Metro Vancouver department;

“Direct Award” or **“Direct Awarded”** means the Award of a Contract without issuing a Call;

“Director, Procurement” means the person appointed from time to time as the Director, Procurement;

“Dispose” or **“Disposition”** means to transfer by any method, including to assign, give, sell, grant, charge, convey, lease, divest, dedicate, release, exchange, or alienate, and to agree to do any of those things;

“Economic Life” means the period of time during which Assets may be put towards profitable use in a business, which period is generally shorter than physical life as Assets may become obsolete or too costly to maintain before they are worn out;

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“Economic Value” means the financial costs and benefits to Metro Vancouver of Goods, Services and Construction 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. For Dispositions of Assets, “Economic Value” means the ability to convert an Asset into cash;

“Environmental Value” means the ability to protect and enhance 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;

“First Nation Entity” means any business arrangement in which First Nation individuals and/or First Nation communities have an ownership or other interest, and includes a business entity identified by a First Nation community as its designated business partner;

“First Nation Lands” means Indian Reserves or Treaty Lands;

“First Nation Traditional Territory” means the geographic area identified by a First Nation to be the area of land which they and/or their ancestors traditionally occupied or used;

“General Manager” means a member of the Metro Vancouver Corporate Planning Committee (CPC);

“General Manager, PRS” means the person appointed from time to time as the General Manager, PRS;

“Goods” means material, supplies, equipment and other tangible or intangible property, whether or not existing at the time of the Contract, but excluding Real Estate;

“GVS&DD” has the meaning set out in Section 1.1(a);

“GVWD” has the meaning set out in Section 1.1(a);

“Mandatory Conditions” has the meaning set out in Section 7.1;

“Maximum Contract Term” means the maximum term of a Contract (including all options to extend or rights of renewal) as prescribed by this Policy;

“Metro Vancouver” means, collectively, MVRD, GVWD, GVS&DD, and MVHC, or any one of them, as the context requires;

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“Multi-Phase Contract” means a Construction Contract where Services are provided in phases, with progression (if any) from the initial to further phases being determined by project requirements;

“MVHC” has the meaning set out in Section 1.1(a);

“MVRD” has the meaning set out in Section 1.1(a);

“Obsolete Assets” means tangible Assets which are at the end of their Economic Life and cannot be used by Metro Vancouver;

“PRS” has the meaning set out in Section 2.1(d);

“Real Estate” means land with or without improvements affixed to the land, any interest in land, air, or water (including any right, title or estate in it of any tenure), or any right to occupy or use land, air, or water;

“Revenue-Generating Contract” means any Contract which requires or contemplates revenues derived from the Contract to be paid to Metro Vancouver;

“Salvage Assets” means any recovered or reclaimed Assets, which may include but are not limited to scrap metal from steel pipe, stainless steel, insulated wire, copper, brass, aluminum, and tin;

“Services” means services that are not provided or performed by Metro Vancouver staff;

“Social Value” means the ability to cultivate and sustain vibrant, creative, safe, affordable and caring communities for the wide diversity of individuals and families to live in, work in and visit the Metro Vancouver region and beyond;

“Solicitation” means the process of communicating a Call to prospective Bidders;

“Surplus Assets” means tangible Assets which are no longer needed and cannot be used by Metro Vancouver, which may include but are not limited to office furniture and equipment, computers, audio-visual equipment, marine and industrial equipment, lab equipment, Construction tools and equipment, and corporate vehicles;

“Technical Value” means the ability to meet all business requirements, including but not limited to specifications, delivery model, timelines, personnel, Contract terms and conditions, user expectations, Goods and Services requirements, and transition requirements;

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“Total Price” means the total price payable for all Goods, Services and/or Construction under a Contract over the entire term of the Contract, as of the effective date of the Contract, excluding sales or other taxes payable, but which may include, at the discretion of the applicable Metro Vancouver staff member(s) having Commitment Authority, (i) the value of options to purchase additional Goods, Services and/or Construction during the term, and (ii) the value of Goods, Services and/or Construction for any renewed optional Contract term. For Revenue-Generating Contracts, “Total Price” means the anticipated gross revenue to be received by Metro Vancouver over the entire term of the Contract. For Multi-Phase Contracts, “Total Price” means the anticipated total price payable for the Services to be provided over all phases, excluding sales or other taxes payable. For Dispositions of Assets, “Total Price” means the total price originally paid by Metro Vancouver for the Asset; and

“Unsolicited Proposals” means proposals received by Metro Vancouver independently of a Call and which are typically submitted by third parties wishing to sell certain Goods, Services or Construction to Metro Vancouver.

- 6.2** All references in this Policy to an employee, official, officer, or other representative of Metro Vancouver are deemed to include any designate, deputy, or anyone else authorized in writing by such employee, official, officer, or other representative (or by Board resolution) to act in that person’s position. For purposes of this Policy, any supervisor of an employee, official, officer, or other representative of Metro Vancouver is deemed to have the same authority as that person’s position.
- 6.3** Where the title or name of any position, division, or department is changed following the adoption of this Policy as a result of a reorganization of Metro Vancouver’s functions or for any other reason, the CAO will have the authority to amend this Policy to reflect such change, provided that the Board is duly informed within a reasonable time of any such amendment.

MANDATORY CONDITIONS FOR COMPLETING A PROCUREMENT

- 7.1** Metro Vancouver staff are not authorized to procure any Goods, Services or Construction under any Contract, including Contract Amendments and Change Orders, for or on behalf of Metro Vancouver unless the following conditions are satisfied (the **“Mandatory Conditions”**):
- a) Approved Budget is in place for the procurement;
 - b) the procurement has been authorized by the Board or the Metro Vancouver staff member(s) having Commitment Authority and Contracting Authority for the applicable Contract; and
 - c) the procurement is required to support the short-term or long-term plans, priorities or ongoing operations of Metro Vancouver as set out in the Board Strategic Plan.

COMPETITION AND COMPETITIVE BIDDING

- 8.1** Except where expressly authorized by this Policy or the Board having jurisdiction, Metro Vancouver will procure all Goods, Services and Construction through an open, public, competitive Call.
- 8.2** The type of competition required for Metro Vancouver procurement is based on the dollar value and nature of the specific Goods, Services or Construction, ensuring the cost and time associated with using a competitive process is proportionate to the benefit received.
- 8.3** No public Call will be required for:
- a) Contracts for Goods and Services that are expected to have a Total Price of up to \$75,000; and
 - b) Construction Contracts that are expected to have a Total Price of up to \$200,000.

The Director, Procurement will endeavor to obtain a minimum of three (3) Bids for the foregoing Contracts.

- 8.4** The Director, Procurement will procure through a public Call:
- a) Contracts for Goods and Services that are expected to have a Total Price of greater than \$75,000; and
 - b) Construction Contracts that are expected to have a Total Price of greater than \$200,000.

Solicitation for the foregoing Contracts 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 Director, Procurement.

- 8.5** All Unsolicited Proposals will be under the purview of the Director, Procurement.

COMMITMENT AUTHORITY AND CONTRACTING AUTHORITY

- 9.1** Subject to the terms of this Policy, any statutory requirements, and Metro Vancouver bylaws, the CAO has Commitment Authority and Contracting Authority for:
- a) any Contract having a Total Price of up to \$10,000,000; and
 - b) any subsequent Contract Amendments or Change Orders which do not, when combined with the Total Price of the Contract, exceed the Approved Budget at the time of the Contract Amendment or Change Order.

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The CAO has the authority to further sub-delegate all such Commitment Authority and Contracting Authority to designated Metro Vancouver staff members as set out from time to time in the *Corporate Procurement Policy*.

9.2 For any Contract having a Total Price of greater than \$10,000,000:

- a) only the Board having jurisdiction has Commitment Authority;
- b) Contracting Authority will be determined by the applicable Board in its sole discretion;
and
- c) subject to the terms of this Policy, any statutory requirements, and Metro Vancouver bylaws, the CAO has Commitment Authority and Contracting Authority for any subsequent Contract Amendments or Change Orders which do not, when combined with the Total Price of the Contract, exceed the Approved Budget at the time of the Contract Amendment or Change Order.

The CAO has the authority to further sub-delegate the Commitment Authority and Contracting Authority under Section 9.2(c) to designated Metro Vancouver staff members as set out from time to time in the *Corporate Procurement Policy*.

9.3 In addition, all Contract Amendments and Change Orders will be subject to:

- a) any Contract Amendment and Change Order approval process established by the CFO from time to time; and
- b) confirmation by the Director, Procurement that the Contract Amendment or Change Order falls within the existing scope of work of the Contract or applicable Call.

9.4 Procuring Goods, Services or Construction through a broker or other intermediary or splitting procurement transactions into multiple increments to circumvent this Policy, the *Corporate Procurement Policy*, or any Commitment Authority or Contracting Authority threshold is not permitted.

9.5 The CAO has Commitment Authority and Contracting Authority for any Administrative Amendment. The CAO has the authority to further sub-delegate such Commitment Authority and Contracting Authority to designated Metro Vancouver staff members as set out from time to time in the *Corporate Procurement Policy*.

GENERAL EXCEPTIONS TO COMPETITIVE BIDDING – PERMITTED DIRECT AWARD

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10.1 Notwithstanding Section 8.1, an open, public, competitive Call is not required and a Direct Award is permitted if:

- a) the Total Price of the Contract does not exceed \$25,000;
- b) the Director, Procurement and the applicable Department Head have determined that Goods, Services or Construction are urgently required and reasonably necessary to protect life/health (human, animal or plant) or property and any delay would be injurious to the public interest; provided that, in the event of any disagreement between the Director, Procurement and the applicable Department Head, the CAO will make the final determination;
- c) there is a single-supplier or other exigent circumstances which preclude an open, public, competitive Call and the following conditions are satisfied:
 - i. the Director, Procurement has determined that the contemplated Direct Award will provide Best Value for Metro Vancouver;
 - ii. in the case of a Contract for Goods and Services having a Total Price of greater than \$75,000 or a Construction Contract having a Total Price of greater than \$200,000, the Director, Procurement has publicly posted a Notice of Intent to Contract for ten (10) business days;
 - iii. if applicable, no complaints or concerns have been lodged in response to the Notice of Intent to Contract, or if any complaints or concerns have been communicated, the applicable Department Head and the Director, Procurement have reviewed the same and have authorized the Direct Award to proceed; and
 - iv. the Contract is Awarded and executed in accordance with the Commitment Authority and Contracting Authority requirements set out in this Policy or the *Corporate Procurement Policy*, as applicable;
- d) the Contract is for archaeological work pursuant to Section 11.2;
- e) subject to the Total Price threshold set out in Section 9.1(a), the CAO at their discretion has determined that the Direct Award would be in the public interest and has authorized the same;
- f) the Board at their discretion has determined that the Direct Award would be in the public interest and has authorized the same; or

- g) the Director, Procurement has authorized participation in a Co-operative Procurement process.

FIRST NATION ENTITIES PARTICIPATION

11.1 Where a Metro Vancouver project or activity is located on or in proximity to First Nation Lands, the procurement process may include one or more of the following:

- a) unbundle large procurement competitions so that First Nation Entities can participate in the procurement process; or
- b) include provisions in the procurement documents that give preference to a First Nation Entity, or a Bidder that sub-contracts a portion of the work to a First Nation Entity.

11.2 Where a Metro Vancouver project or activity is located within a First Nation Traditional Territory and archaeological work is required, the procurement process will seek the First Nation's input and recommendations for qualified archaeological consultants:

- a) if only one recommendation is received, Metro Vancouver may unbundle all or a portion of the archaeological work and may Direct Award, under the provisions of Section 10.1, the unbundled portion to the recommended consultant; or
- b) if more than one recommendation is received, Metro Vancouver may unbundle all or a portion of the archaeological work and undertake a procurement competition in accordance with this Policy.

SUSTAINABLE, SOCIAL AND ETHICAL PROCUREMENT

12.1 Sustainable, social and ethical procurement aligns with Metro Vancouver's long term priorities and commitments to sustainability, equity and regional prosperity as set out in the Board Strategic Plan. Metro Vancouver is committed to optimizing social and environmental benefits to the region in accordance with Best Value requirements throughout its procurement processes.

12.2 Metro Vancouver intends to recognize excellence, leadership and innovation in sustainability, environmental stewardship, equity and fair labour practices within the supplier selection process. Metro Vancouver will undertake to do so in accordance with any sustainable, social and/or ethical procurement policies and procedures that are in effect from time to time.

MAXIMUM CONTRACT TERM

13.1 Subject to any statutory requirements, the Director, Procurement in consultation with the applicable Department Head will set the Maximum Contract Term for a Call. For proposed Maximum Contract Terms of ten (10) years or greater, such terms will be subject to the approval of the CAO in addition to compliance with any statutory requirements.

CONTRACT EXTENSIONS

14.1 Contracts may only be extended past the Maximum Contract Term where one of the following conditions are met:

- a) the extension is a permitted Direct Award in accordance with Section 10.1; or
- b) there is (or is about to be) a new Call for the Goods, Services or Construction and the Director, Procurement and applicable Department Head have determined that an extension is required to provide time to complete the new Call. In this case, the applicable Department Head will have Commitment Authority and the Director, Procurement, or the CAO, will have Contracting Authority for the extension, provided that the extension:
 - i. is no longer than twelve (12) months;
 - ii. when combined with the Total Price of the Contact does not exceed \$20,000,000 or the Approved Budget; and
 - iii. is executed by the parties to the Contract before the expiry of the term.

CO-OPERATIVE PROCUREMENT

15.1 The Director, Procurement may participate in Co-operative Procurement.

15.2 The provisions of this Policy apply to the rights and obligations assumed by Metro Vancouver with respect to any Co-operative Procurement process.

CANCELLATION OF CALLS

16.1 The Director, Procurement will be authorized to cancel any Call where:

- a) there is a request by the applicable Department Head and responses are greater than the Approved Budget for the Award in respect of the Call;
- b) in the opinion of the Director, Procurement or the applicable Department Head:
 - i. a change in the scope of work, specifications or other authorizations is required and therefore a new Call should be issued; or
 - ii. the Goods, Services or Construction to be provided pursuant to the Call no longer meet Metro Vancouver's requirements; or
- c) in the opinion of the Director, Procurement the integrity of the Call process has been compromised.

ADMINISTRATION OF CONTRACTS

17.1 Following the exercise by the Procurement Division of PRS of its primary authority over a Call or a contemplated Direct Award, as applicable, and where a Contract results from the Call or contemplated Direct Award, the applicable Department Head will have the primary responsibility for the proper administration and enforcement of the Contract, subject to the *Legal Services Policy* (No. GV-029) and subject to the requirements for any Administrative Amendments, Contract Amendments and Change Orders as set out in this Policy and the *Corporate Procurement Policy*.

DISPOSITION OF ASSETS

18.1 The Disposition of Assets will be coordinated by the Procurement Division of PRS following a process that is transparent and non-discriminatory and which ensures Best Value for Metro Vancouver.

18.2 The Disposition of Surplus Assets will be carried out in accordance with the following:

- a) the Department Head responsible for the applicable Assets will determine and declare when such Assets are deemed to be Surplus Assets (refer to the Appendix for the type of Assets and responsible Department);
- b) the Surplus Assets must first be offered at no charge to other potential users within Metro Vancouver;
- c) if the Surplus Assets cannot be used by another user within Metro Vancouver, they will be Disposed of through the Procurement Division of PRS by way of public auction, trade-in, public tender, negotiated sale or other means that achieves Best Value for Metro Vancouver;
- d) in no event will Surplus Assets be directly sold to Metro Vancouver staff, provided that Metro Vancouver staff will be permitted to participate in any public auction process for such Surplus Assets;
- e) in no event will Surplus Assets be offered at no charge to any person outside of Metro Vancouver (including any non-profit organization) unless in accordance with Section 18.5;
- f) in the event Surplus Assets cannot be sold or traded for use, they will be recycled in a manner that minimizes environmental impacts; and
- g) proof of authorization for the Disposition of Surplus Assets must be retained for up to seven (7) years from the date of Disposition.

18.3 The Disposition of Obsolete Assets will be carried out in accordance with the following:

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- a) the Department Head responsible for the applicable Assets will determine and declare when such Assets are deemed to be Obsolete Assets (refer to the Appendix for the type of Assets and responsible Department);
- b) Obsolete Assets will be Disposed of through the Procurement Division of PRS by way of public auction, trade-in, public tender, negotiated sale or other means that achieves Best Value for Metro Vancouver;
- c) in no event will Obsolete Assets be directly sold to Metro Vancouver staff, provided that Metro Vancouver staff will be permitted to participate in any public auction process for such Obsolete Assets;
- d) in no event will Obsolete Assets be offered at no charge to any person outside of Metro Vancouver (including any non-profit organization) unless in accordance with Section 18.5;
- e) in the event Obsolete Assets cannot be sold or traded for use, they will be recycled in a manner that minimizes environmental impacts; and
- f) proof of authorization for the Disposition of Obsolete Assets must be retained for up to seven (7) years from the date of Disposition.

18.4 The Disposition of Salvage Assets will be carried out in accordance with the following:

- a) the Department Head responsible for the applicable Assets will determine and declare when such Assets are deemed to be Salvage Assets (refer to the Appendix for the type of Assets and responsible department);
- b) a list of Salvage Assets will be documented in a Salvage Asset Tracking Sheet;
- c) a copy of the Salvage Asset Tracking Sheet will be provided to the Financial Services Department on a monthly basis by email or inter-office mail with supporting documentation, as appropriate. Original copies of the document are to be maintained in the files on site for seven (7) years; and
- d) the Procurement Division of PRS will be responsible for the Disposition of Salvage Assets, which may only be completed through an approved recycling dealer.

18.5 The donation of Assets will be carried out in accordance with the following:

- a) only Surplus Assets or Obsolete Assets are eligible for donation;

- b) the donation must meet the following criteria:
 - i. it must provide a clear and positive community benefit to the Metro Vancouver region;
 - ii. it must offer specific benefits to Metro Vancouver or its members;
 - iii. the entity that is receiving the donation must have a mandate with a community objective and purpose that is consistent with Metro Vancouver's vision, mission and roles; and
 - iv. the entity receiving the donation must be a registered charitable organization or non-profit organization;
- c) Surplus Assets or Obsolete Assets that are to be donated must receive prior approval from the CAO, with a recommendation from the CFO, and the Director, Procurement;
- d) when more than one (1) registered charitable organization or non-profit organization requests the donation of Surplus Assets or Obsolete Assets, organizations will be considered equally using the criteria outlined in Section 18.5(b);
- e) the donation of Surplus Assets or Obsolete Assets which individually or in the aggregate have a Total Price of greater than \$100,000 requires Board approval; and
- f) proof of authorization for the donation of Surplus Assets or Obsolete Assets must be retained for up to seven (7) years from the date of donation.

18.6 All proceeds in exchange of the Disposed Assets will be remitted directly to the Financial Services Department. Proceeds must be in the form of cheque, electronic funds transfer, or if the transaction is less than \$5,000, a credit card may be used.

APPENDIX**Asset Category and Responsible Department Table**

The following table lists the type of Assets and subsequent department that is responsible for determining whether Assets are Surplus Assets, Obsolete Assets or Salvage Assets. It is intended to provide guidance and can be amended as required.

Asset	Responsible Department
Furniture and Office Equipment	Procurement and Real Estate Services (Facilities)
Information Technology (IT) Equipment	Corporate Services (Information Technology)
Fleet and Marine Equipment	Corporate Services (Fleet Services)
Safety Equipment	Corporate Services (Safety Security Emergency Management)
Industrial Equipment	User Department (Water, Liquid Waste, Solid Waste, Housing, Regional District)
Construction Tools and Equipment	User Department (Water, Liquid Waste, Solid Waste, Housing, Regional District)
Lab Equipment	User Department (Water, Liquid Waste, Solid Waste, Housing, Regional District)