

**WESTERN CLIMATE INITIATIVE, INCORPORATED  
(WCI, INC.)**

**PROCUREMENT POLICY**

**Adopted January 12, 2012  
Revised October 12, 2017**



**REVISION HISTORY**

Date	Revised By	Description
January 12, 2012	Board of Directors	Procurements Policy adopted
October 12, 2017	Board of Directors	Amendments to the text to describe the process to inform Participating Jurisdictions of the finalists for procurement award and to require Board approval to enter into a contract with a finalist that is ineligible to participate in procurements in a Participating Jurisdictions, and amendment to approval thresholds and authority for competitive procurements.

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## **Western Climate Initiative, Incorporated (WCI, Inc.) Procurement Policy**

### **I. Procurement**

WCI, Inc. may procure goods and services to carry out the purposes for which the Corporation was formed. It is the policy of WCI, Inc. that procurement procedures be implemented to obtain best value for money expended for the Corporation, including providing the flexibility needed to obtain goods and services in a timely manner. Best value will be obtained by selecting vendors that offer the best combination of factors, such as (but not limited to) price, life-cycle costs, delivery capabilities, quality, past performance, financial stability, ease of ordering, and payment terms. Procurements must also comply with all requirements specified in funding agreements entered into by the Corporation.

To obtain the best value for the Corporation, the procurement process shall ensure open and effective opportunities for competition, including but not limited to the following:

- A. Conduct procurement in a transparent and fair manner.
- B. Provide equal access and timely and accurate procurement information to potential suppliers prior to and during the procurement process.
- C. Make procurement documents and related materials electronically and publically available in a timely manner, with sufficient time prior to a bid or proposal due date, taking into consideration the complexity of the procurement.
- D. Ensure all bid documents contain the necessary information for proposers to prepare a bid.
- E. Ensure that procurement is conducted in a geographically neutral manner.
- F. Provide flexibility to ensure goods and services are obtained in a timely manner.

To maintain the ability to obtain best value, the Corporation will provide a stable procurement environment that is attractive to potential suppliers, including but not limited to the following:

- A. Promote fiscal responsibility in contracting and procurement.
- B. Actively work with suppliers to obtain best value and appropriate standards of price competitiveness, quality, responsiveness, and innovation.

To further support obtaining best value and providing a stable procurement environment, the procurement evaluation process will include but is not limited to the following:

- A. Defining administrative bidding requirements that are clear and fair, and applying the requirements consistently to all bidders.
- B. Tailoring technical evaluation criteria and scoring methods to each procurement to obtain best value for the Corporation.

- C. Comprising the evaluation team with personnel that have the requisite expertise to evaluate the proposals effectively.
- D. Ensuring that the evaluation process is free of conflicts of interest.
- E. For all procurements over \$5,000, WCI, Inc. will notify the Participating Jurisdictions of the finalists for the procurement award and seek the Participating Jurisdictions' input on any experience or knowledge the Participating Jurisdictions may have with respect to the finalists. Board approval is required to enter into a contract with any finalist that is ineligible to participate in public procurements in a Participating Jurisdiction.

## **II. Definition of a Contract and Procurement**

### **Contract**

For the purposes of this document, a contract is defined as an agreement that creates an obligation, enforceable by law, to do or not to do a certain thing. A contract is a legally binding agreement that clearly defines goods and/or services to be obtained, including contract term (start and end date), a schedule, and specific terms and conditions.

### **Procurement**

Procurement is defined as the process for making a purchase or entering into a contract, including contracts entered into through a competitive or non-competitive process. Competitive procurements include a solicitation and evaluation process. Invitation for Bid (IFB) and Request for Proposal (RFP) are types of competitive procurement solicitations.

## **III. Role of the WCI, Inc. Board of Directors (the Board) in Procurement**

The policies for procuring goods and services are governed by the Board. Part of the Board's role is to provide monitoring and oversight for all contracting activities. Responsibilities include:

- A. Ensure that necessary funds are identified and secured to fulfill the Corporations obligation prior to initiating procurements or entering into contracts, for example, based on approved WCI, Inc. budgets, through commitments from jurisdictions, or other expectations of funding and expenditures.
- B. Ensure procurement policies and practices are adhered to and continuously improved.
- C. Monitor all monetary activities and ensure that funds are appropriately expended.
- D. Prepare a procurement manual to establish standard operating procedures for procurement and contract management.

## **IV. Authority and Approval**

The Board has final authority for all procurement and contracts.

## Competitive Procurements

Approval Threshold Goods and Services Contracts	Authority to Approve Goods and Services Contracts	Authority to Sign Contracts
All contracts and amendments up to and including \$5,000	Delegated to WCI, Inc. Executive Director	Delegated to WCI, Inc. Executive Director
All contracts and amendments greater than \$5,000 and up to and including \$50,000	Delegated to WCI, Inc. Executive Director or a corporate officer	Delegated to WCI, Inc. Executive Director or a corporate officer
All contracts and amendments greater than \$50,000 and up to and including \$250,000	Approval of Executive Committee or Board of Directors	Delegated to WCI, Inc. Executive Director or a corporate officer
All contracts and amendments greater than \$250,000	Approval of 2/3 of the Board of Directors with no dissenting votes	Delegated to WCI, Inc. Executive Director or a corporate officer
All thresholds are in U.S. dollars.		

## Non-Competitive Procurements

Contracts for goods or services that result from non-competitive procurements require Board approval and signature by the Executive Director or a corporate officer.

### V. Legal Counsel Review

Consistent with the goals of obtaining best value for the Corporation and providing a stable procurement environment, the Corporation will avail itself of appropriate and effective risk management strategies related to procurement and contracts. Procurements, including solicitations and contracts, will be reviewed by the Corporation's legal counsel, unless otherwise directed by the Board.

### VI. The Use of Non-Competitive Procurement Processes

Consistent with the goal of obtaining best value, competitive procurement processes will be used to the maximum extent practicable. In circumstances under which non-competitive procurement processes may be preferred, Board approval to use a

procurement process that is not fully open and competitive will rely on a justification specific to the procurement.

The following are allowable exceptions that, with proper justification and Board approval, may warrant the use of a procurement process that is not fully open and competitive. A non-competitive procurement should not be conducted unless it fits within one of these allowable exemptions.

- A. Contracts for goods and services under \$5,000.
- B. Contracts for services provided by contractors that have been selected by a federal, state, city, county, provincial, or other regulatory entity, usually through a competitive process.
- C. Agreements where only one supplier is able to meet the requirements of a procurement to ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licenses, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representatives. Compatibility with existing products may not be allowed if the reason for compatibility is the result of one or more previous non-competitive procurements.
- D. Contracts for which only per diem and travel expenses are paid and do not exceed \$5,000.
- E. Contracts solely for the purpose of obtaining expert witnesses for litigation.
- F. Contracts for legal defense, legal advice, or legal services.
- G. Contracts for conference or meeting facilities, including room accommodations for conference attendees, not to exceed \$50,000.
- H. Proprietary subscriptions, proprietary publications and/or technical manuals regardless of media format. This includes access to pre-existing proprietary research data through a non-IT services contract.
- I. Emergency contracts which are necessary for the immediate preservation of life or property.
- J. Contract amendments:
  - 1. To extend the original term for services.
  - 2. To add additional funding to a contract.
  - 3. To make minor changes to the original scope of the contract.
- K. Other conditions as determined by the Board.