Treasury Board questions for sole source

A contracting authority may enter into a contract without soliciting bids when following exceptions apply: *(please check the applicable exception)*

(a) the need is one of pressing emergency in which delay would be injurious to the public interest.

(b) the estimated expenditure does not exceed

- $40,000 for services;

- $40,000 for construction;

- $25,000 for goods (including taxes)

(c) the nature of the work to be contracted for is such that it would not be in the public interest to solicit bids; or

(d) only one person is capable of performing the contract.

Provide responses, as applicable, to the questions contained in the template below in order to explain and justify why exception 6.(d) of the [*Government Contracts Regulations*](http://laws-lois.justice.gc.ca/eng/regulations/SOR-87-402/) (GCRs) has been invoked to allow a sole source goods or services contract.

**All highlighted Client Response sections must be answered**

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| ITEM |  |
| 1.a. | Question:  Is the proposed sole source contract linked to a previous procurement and strategy for obtaining additional quantities and/or in-service support? If yes, what was the approved strategy?   * If answer is "yes", identify what was the previous procurement strategy that was conducted with PWGSC . Identify the PWGSC file number for the previous contract (i.e. original procurement was posted "competitively" and it was identified that additional equipment would be purchased in the future with the successful vendor). |
| Client Response: | |
| 1.b. | Question:  Notwithstanding the approved strategy, is it feasible and/or affordable to compete the requirement?   * If the answer was "yes" to question #1, can this requirement be issued as a competitive requirement? * If the answer is "no", then answer the additional question below. |
| Client Response: | |
| 1.c. | Question:  If not, provide the related rationale in terms of cost, schedule, etc.   * Explain why this requirement cannot be issued as a “competitive” requirement. |
| Client Response: | |
| 2. | Question:  Does the Vendor or its approved distributors have exclusive ownership of, and rights to use, the intellectual property (IP) for the goods or services in question? If yes, provide details. What rights, if any, does the Crown have to use the IP ?   * If answer is "yes", you would indicate the vendor details and state whether they are: the Original Equipment Manufacturer (OEM) or the sole authorizer value-added reseller.   Clearly indicate why we are going directly to this company, for ex.:   1. We are dealing directly with the OEM , ABC Ltd, as they are the owners, developers of the equipment and owners of the IP . They do not authorize value-added resellers or distributors for their equipment. 2. b. We are dealing with XYZ Distribution Inc. as they are the sole distributor and only approved value-added reseller authorized to sell and support in Canada the equipment built by the OEM , ABC Ltd. |
| Client Response: | |
| 3. | Question:  Are there legal and/or regulatory considerations precluding open competition for this good or service? If yes, provide details.   1. Is there any provincial and federal legislation that directs client to only purchase the described requirement |
| Client Response: | |
| 4.a. | Question:  Are there alternative sources of supply for the same or equivalent materiel/support? If no, explain.   * If you are using Government Contracts Regulations, exception 6 d), then you would indicate there are no alternate sources of supply that can meet the mandatory performance specifications identified by you the client. |
| Client Response: | |
| 4.b. | Question:  If yes, what other options were considered and why were they not recommended?   * If the answer is "Yes", and there are alternate sources of supply, then we should be going out to competition. * If research has been done, to confirm there is only a manufacture than can meet the mandatory performance specifications, then we should indicate what has been done.   **Note**: To have different manufacturers "pre-tested" or "benchmarked" thru an evaluation process is not acceptable, unless it was done thru a competitive process with PWGSC . Also, simply because the manufacturer is the "best" or the "lowest price" is not acceptable, without a competitive process thru PWGSC . |
| Client Response: | |
| 5. | Question:  Is the proposal related to commonality/compatibility with existing equipment? If yes, what are the operational costs/implications of managing multiple versions?  Must the equipment required be compatible with existing equipment?... existing software? Or existing equipment at other facilities in Canada, North America, and the World?  If the answer is "Yes", at a minimum, we need to:   1. Clearly identify which equipment and or software the client (or other research centers) has that must be compatible with current requirement. 2. Identify what "compatible" means to client. Do the machines communicate with one another from facility-to-facility? Are samples cross-examined and compared from facility to facility? We need to be specific. 3. Identify what the operational costs and the implications of managing multiple versions. (multiple manufacturers, multiple software programs). What would be the price of non-conformance for client? Cost to retrain? Cost to revise protocols, procedures, processes? Is there a cost to delaying this program any further? |
| Client Response: | |
| 6. | Question:  Explain why the price is fair and reasonable; describe how price support was obtained; and summarize negotiations.   * Client can provide any preliminary information received from the vendor. (financial quote). Also, PWGSC , as the contracting officer will be responsible for negotiating a fair and reasonable price and ensuring the prices are fair and reasonable to Canada.   Are there any other factors that have led to a recommendation for a non-competitive process? If yes, provide details and rationale. |
| Client Response: | |
| 7.a. | Question:  Are there any other factors that have led to a recommendation for a non-competitive process? If yes, provide details and rationale.   1. What is the likelihood of an amendment or follow-on contract to the same person? Is there the possibility of additional equipment, additional warranty services? Then we should be implementing "options-to-purchase" within the contract. |
| Client Response: | |
| 7.b. | Question:  Describe the efforts taken to identify a variety of suppliers and explain any impact the Trade Agreement thresholds or TB Contracts Directive contract entry/amendment limits will have on the proposed procurement strategy.   * Have there been any efforts made by client to identify potential suppliers and determine what is available within the vendor community? * PWGSC will advise which trade agreements would be applicable. * "PWGSC Supply Specialist consulted with the client in regards to future requirements and the client has confirmed that no follow-on equipment will be required"... OR... * "PWGSC Supply Specialist consulted with Client in regards to future requirements and the client has confirmed that there could be the potential for follow-on equipment, therefore options to purchase additional equipment will be incorporated within the contract." * PWGSC will post an ACAN on the Government Electronic Tendering Service (GETS) to ensure there are no suppliers that can actually meet this requirement. * This requirement is subject to the following trade agreements: CFTA , CETA , WTO-AGP , Canada-Korea Free Trade Agreement, etc. |
| Client Response: | |
| 7.c. | Question:  Given the nature of your organization's mandate, describe any efforts taken to put in place long-term procurement arrangements to address similar requirements/activities in future (e.g., establish standing offer).   * Client to identify any long-term procurement strategies to address future needs: * Client to investigate potential consolidation of opportunities with other departments. * Client to encourage PWGSC to include an additional range of equipment in any future standing offers whenever possible. * PWGSC will also identify the National Commodity Team Lead and discuss the possibility of including this requirement with any future standing offers. |
| Client Response: | |