

Contracting Community Capital Projects	Policy	G5
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What is the policy?

It is department policy that communities adhere to established department procedures when contracting community delivered capital projects.

Community responsibilities

- All community projects require submission and approval of a capital project application by the department before bids can be requested, contracts assigned and work begun.
- All projects require a letter of understanding between the community and the department (see Appendix G5-A).
- All projects under \$2,500 shall invite a minimum of two bids. This includes contracts for work to be undertaken by the community.
- All projects over \$2,500, but under \$5,000, may invite bids, although it is preferable to advertise. A minimum of two bids shall be sought. All purchases less than \$5,000 may be informally tendered (ex. phone or fax).
- All * projects expected to cost more than \$5,000 must be advertised for public tender. These bids shall be advertised upon approval of the project proposal. If there is an urgency, approval must be obtained from the minister, through the regional office, to waive advertising.
- All contracts are to have legal review. No work is to proceed until contract approval has been granted by the department. All contracts require the signature of a community authority, the contractor and the department.

Other information

- Appendix G5-A Letter of Understanding

***Note:** When purchasing materials is involved (ex: building supplies) communities are allowed to accept invitational bids rather than using the public tender system, as long as a minimum of two bids are obtained.