



The Corporation of the City of Courtenay

Briefing Note

To: Council
From: Manager of Procurement, Risk and Real Estate
Subject: Indigenous Procurement Update

File No.: 1200-01
Date: January 28, 2026

PURPOSE:

To update Council on City outcomes to date on the City's indigenous procurement implementation.

BACKGROUND:

Indigenous procurement refers to policies and practices intended to increase the participation of Indigenous-owned businesses in the supply chains of public- and private-sector organizations. These practices are designed to support economic development, job creation, and capacity building within Indigenous communities. By encouraging the inclusion of reconciliation practices, Indigenous businesses and joint ventures in procurement opportunities, Indigenous procurement initiatives help reduce systemic barriers and improve access to competitive markets.

Indigenous procurement is also widely recognized as a practical and meaningful component of reconciliation. By intentionally incorporating Indigenous businesses into procurement processes, organizations can acknowledge the historical and ongoing impacts of colonization while contributing to stronger, more respectful relationships between Indigenous and non-Indigenous communities. This approach delivers tangible economic benefits and supports longer-term outcomes related to economic equity and sustainable development.

In January 2023, Council adopted an updated Procurement Policy Framework applicable to all City departments. The modernized framework reflects contemporary best practices in public procurement and supports broader organizational objectives related to environmental sustainability, social value, living wage considerations, and increased opportunities for Indigenous businesses. Prior to this update, the City's Procurement Policy had last been revised in 2011.

The updated Procurement Policy is attached to this report and includes, for the first time at the local government level in British Columbia, explicit language supporting Indigenous procurement.

DISCUSSION:

Integration of Indigenous Procurement Across City Procurement

The City's Procurement Policy incorporates two key Indigenous procurement concepts. The first applies Indigenous procurement considerations across the City's overall procurement activity, as reflected in Section 8.3 of the Procurement Policy. The intent of this provision is to embed consideration of Indigenous procurement opportunities across a wide range of procurement categories, including:

- goods and equipment (i.e. office supplies, heavy equipment);
- general services (i.e. janitorial or HVAC maintenance services); and
- professional and consulting services (i.e. engineering or planning services).

As part of the procurement process, the City may request information from proponents and consider the following factors, where appropriate, as part of the evaluation of submissions:

- whether the proponent is an Indigenous business;
- whether the proponent employs, or has programs in place to employ, Indigenous persons;
- any partnerships the proponent has with First Nations; and
- the proponent's reconciliation-related policies or procedures.

Indigenous Procurement in Capital Construction

Indigenous procurement within capital construction projects is intended to support economic opportunities for Indigenous communities by increasing participation in construction supply chains. The City's approach focuses on creating opportunities for K'ómoks First Nation businesses to participate in City construction projects, including through partnerships and joint ventures with non-Indigenous construction firms.

These approaches support a range of outcomes, including job creation, skills development, and long-term capacity building, while contributing to broader reconciliation objectives and sustainable economic growth within Indigenous communities.

Section 9 of the Procurement Policy establishes a framework for Indigenous procurement within City construction projects with an estimated value exceeding \$1 million. Under this framework, the City may award contracts or portions of work to K'ómoks First Nation businesses, with the intent of directing up to ten percent of the overall construction value to those businesses, where appropriate and achievable.

Past Accomplishments

Since the adoption of the updated Procurement Policy in early 2023, City staff have been actively implementing Indigenous procurement practices. The following outcomes have been achieved to date:

- updates to City procurement templates to reflect Indigenous procurement considerations;
- delivery of staff training related to Indigenous procurement;
- full implementation of Indigenous procurement across all City public procurement processes, with the exception of construction procurement;
- completion of dozens of bidder debriefs by procurement staff, including discussion of Indigenous procurement considerations and opportunities for bidder improvement;
- no negative feedback received from the market regarding the implementation of Indigenous procurement to date;
- development of an indicative process for incorporating Indigenous procurement into capital projects, informed by two rounds of discussions with K'ómoks Economic Development Corporation; and
- examples of procurements in which Indigenous procurement has been implemented, including:
 - Boulevard Maintenance Services;
 - Zero-Emission Vehicle Fleet Transition Plan;
 - Website Redesign;
 - East Courtenay Fire Hall Design Services;
 - Janitorial Services; and
 - Asset Management System Consulting Services.

In addition, contracts have been awarded to K'ómoks First Nation subcontractors, including:

- Tower Fence Products – 6th Street Bridge fencing; and
- Lacasse Construction – demolition of residence.

Current Activities

City staff are currently undertaking the following activities in support of Indigenous procurement:

- continued implementation of Indigenous procurement across all non-construction public procurement;
- development of an Indigenous procurement plan for the East Courtenay Fire Hall project;
- development of an Indigenous procurement plan for the Anderton Lift Station project;
- semi-annual meetings with the K'ómoks Economic Development Corporation;
- delivery of additional Indigenous procurement training to City staff; and
- screening of City procurement activities to identify potential onboarding opportunities for K'ómoks First Nation.

Future Opportunities

As implementation continues, staff anticipate the following next steps:

- post-project reporting to summarize the effectiveness of Indigenous procurement plans for capital projects;
- further refinement of the City's approach to incorporating Indigenous procurement into capital projects; and
- continued staff training and organizational capacity building related to Indigenous procurement.

POLICY ANALYSIS:

Procurement activities at the City are administered in accordance by the City's Procurement Policy, City of Courtenay Delegation of Purchasing Authority Bylaw No. 3082, 2023 as well as the following trade agreements:

- New West Partnership Trade Agreement (NWPTA);
- Canada Free Trade Agreement (CFTA); and
- Comprehensive and Economic Trade Agreement (CETA).

Government procurement under these trade agreements aim to create open and competitive bidding processes while promoting economic cooperation. The NWPTA, an agreement among the western Canadian provinces, seeks to eliminate barriers to trade, investment, and labor mobility, ensuring equal access to government procurement opportunities within the region. The CFTA, a nationwide agreement, further enhances this by promoting a unified and transparent procurement system across all Canadian jurisdictions, fostering interprovincial trade. CETA, an international agreement between Canada and the European Union, extends these principles globally, offering Canadian businesses access to European markets and vice versa. Together, these agreements strive to increase efficiency, reduce costs, and encourage innovation in government procurement, while also providing broader market access for businesses.

ADMINISTRATIVE IMPLICATIONS:

The procurement policy applies to all staff and departments at the City.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Good Governance - Explore procurement practices to include a social equity lens, reconciliation for contracted services, and climate change factors

RECOMMENDATION:

THAT Council receive the “Indigenous Procurement Update” briefing note.

ATTACHMENTS:

1. City of Courtenay Procurement Policy

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