BRITISH COLUMBIA · DIRECT AWARD / SOLE SOURCE

# Sole-Source / Direct-Award Justification Memorandum

A purchasing-policy memorandum documenting why TrueNorth Civic AI can be direct-awarded under common British Columbia municipal thresholds, with the approval table your delegation of authority expects.

| | |
|---|---|
| **Requesting department** | [Insert department] |
| **Vendor** | TrueNorth Civic AI |
| **Date** | [Insert date] |
| **Status** | Draft for purchasing review |

## 1. Requisition Summary

| | |
|---|---|
| **Requesting department** | [Insert department or business unit] |
| **Item** | TrueNorth Civic AI platform subscription (software as a service) |
| **Tier requested** | [ ] Department Direct-Award — $4,850 CAD/yr, up to 25 staff seats<br>[ ] Municipality-Wide Foundation — $9,850 CAD/yr, unlimited staff seats for municipalities under 25,000 population (custom pricing applies for larger municipalities) |
| **Other tiers available** | Civic Starter (free) and Pro Individual ($180 CAD/yr ($15/mo billed annually), or $18 CAD/mo) for individual staff. |
| **Purpose** | AI-assisted legislative and bylaw research with source citations, municipal document drafting, FOI redaction pre-screening, meeting transcription and minutes, and departmental workflow automation for [insert programs]. |
| **Vendor** | TrueNorth Civic AI — support@truenorthcivicai.ca — truenorthcivicai.ca |

## 2. Procurement Threshold Analysis

Tier pricing is deliberately engineered against British Columbia local government procurement practice: flat annual invoices rather than per-seat licensing. The reference thresholds below are common values, not a statement of your policy — your purchasing policy and delegation of authority prevail.

**TABLE 1 · PROCUREMENT THRESHOLD ANALYSIS**

| Threshold (reference — verify against your policy) | TrueNorth tier fit |
|---|---|
| Under $5,000 CAD — P-Card or direct purchase by a department head (common BC local government practice) | Department Direct-Award: $4,850 CAD/yr flat for up to 25 staff seats — one annual invoice under the P-Card or direct-purchase ceiling |
| $10,000–$25,000 CAD — direct award or limited competition permitted under many BC purchasing policies, with documented justification | Municipality-Wide Foundation: $9,850 CAD/yr flat for unlimited staff seats (municipalities under 25,000 population) — one annual invoice inside the direct-award range |
| New West Partnership Trade Agreement (NWPTA) competitive threshold — commonly $75,000 CAD and above | Both tiers sit well below NWPTA competitive-call thresholds; a competitive process is not triggered by value |

> **VERIFY AGAINST YOUR POLICY**
> Confirm current threshold values, the correct approval authority and any local preference or trade-agreement obligations before award. Attach this memorandum and your policy extract to the purchase file.

## 3. Basis for Direct Award / Sole Source

The following grounds are offered as the documented justification required by most BC purchasing policies for a direct award or limited competition.

1. Unique capability fit — TrueNorth provides retrieval-augmented research grounded in a dedicated corpus of BC statutes (via BC Laws) and consolidated municipal bylaws covering all 99 BC municipalities and regional districts in its corpus (89 municipalities and 10 regional districts, more than 17,000 active bylaws), combined with 20 municipal workflow templates for council reports, FOI redaction screening and severing logs, public-hearing correspondence analysis, council report generation from the municipality's own document template, and engineering document review. No other product in the considered field provides this BC municipal corpus plus municipal workflows at a comparable price point.
2. Privacy and residency architecture — Canadian residency for all persistent data is enforced (GCP Montréal, northamerica-northeast1), Canadian personal information is redacted before AI processing (Cloud DLP), a zero model-training guarantee applies, CMEK is available, Gemini 3.x inference processing location is disclosed in the pre-filled PIA, and a FOIPPA-oriented control set is supplied for this procurement.
3. Pricing model compatible with municipal purchasing — flat-rate annual organization pricing rather than per-seat licensing, a single annual invoice, and settlement by credit card (P-Card) or invoice/PO on net-30 terms, which materially simplifies threshold analysis and budgeting. This design is specifically suited to small and medium municipalities and regional districts that do not carry a dedicated procurement or platform team.
4. Proportionality — the annual invoice for the requested tier sits under the relevant direct-award or P-Card ceiling (see Section 2), making a formal competitive call disproportionate to the purchase value.

## 4. Alternatives Considered

The table below summarizes the alternatives reviewed and the indicative public pricing used to compare them. Costs are indicative only and should be confirmed with each vendor.

**TABLE 2 · ALTERNATIVES CONSIDERED**

| Alternative | Indicative cost | Assessment |
|---|---|---|
| Microsoft 365 Copilot | Per-user subscription in USD, on top of Microsoft 365 licensing | Broad office-productivity assistant; no BC bylaw or statute research corpus and no municipal workflow templates; data residency depends on configuration; per-seat cost scales with every staff member |
| Generic Government AI Tools (municipal flat rate) | Flat-rate annual, reportedly CAD-equivalent $10,000–$16,500 per year | Comparable flat-rate positioning; lacks deep BC Laws and consolidated municipal bylaw retrieval, and BC-specific procurement and FOI workflows |
| iCompass / Diligent (CivicWeb) | Per-municipality annual, agenda-management focus | Meeting-agenda and posting platform rather than an AI research, drafting and analysis workspace; not a substitute for the requested capability |
| Status quo — no purchase | Staff time | Research, FOI redaction screening and report drafting remain manual, with no cited-source grounding for staff research |

No alternative reviewed combines a BC statute and bylaw corpus with municipal workflow templates, Canadian residency and flat annual pricing. The closest substitutes either address a different problem (agenda management) or scale in cost with every staff member.

## 5. Price and Value Summary

| | |
|---|---|
| **Annual invoice** | [$4,850 CAD/yr / $9,850 CAD/yr — retain the requested tier] |
| **Seat capacity** | [25 staff seats / unlimited staff seats — retain the requested tier] |
| **Included** | All Pro-tier features for the organization (AI research with citations, document drafting, meeting transcription, unlimited workflow runs, human-in-the-loop checkpoints), plus organization features (shared workflows, corporate style-guide conditioning, pre-filled BC FOIPPA PIA, IT and privacy pre-approval pack) and priority support. |
| **Billing options** | P-Card or credit-card checkout, or invoice/PO with net-30 terms. |
| **Budget source** | [Insert account or project code] |

## 6. Compliance Checklist

Complete each item and retain the evidence with the purchase file.

- ☐ Purchasing policy thresholds verified against this memorandum (Section 2).
- ☐ Direct-award or sole-source grounds documented (Section 3) and retained with the file.
- ☐ FOIPPA PIA completed or initiated using the pre-filled PIA template in this kit.
- ☐ IT security review completed using the IT Security and Architecture Brief in this kit.
- ☐ Vendor data-processing and subscription terms reviewed by the appropriate officer.
- ☐ NWPTA and applicable trade-agreement obligations reviewed — value is below the competitive-call threshold.
- ☐ Delegated authority sign-off recorded in Section 8.

## 7. Recommended Action

It is recommended that [Insert public body name] direct-award a TrueNorth Civic AI subscription for the tier identified in Section 1, effective [insert start date], under delegated authority and on the grounds set out in this memorandum.

**CONDITIONS OF AWARD**

- Confirm the executive sponsor and the departments included before the subscription is activated.
- Record the PIA decision and any conditions in the purchase file.
- Schedule a review of usage and value at the first anniversary, before renewal.

## 8. Approvals

Signatures below record that the signatories have reviewed this memorandum and approve the recommended action under the public body's delegation of authority.

| Role | Name | Signature | Date |
|---|---|---|---|
| **Requesting Department Head** | [Name and title] | | |
| **Purchasing and Finance review** | [Name and title] | | |
| **Approval per Delegation of Authority** | [Name and title] | | |

## Appendix A: Documents Reviewed

1. TrueNorth Civic AI — Pre-Filled BC FOIPPA Privacy Impact Assessment (this kit).
2. TrueNorth Civic AI — IT Security and Architecture Brief (this kit).
3. Current purchasing policy, procurement bylaw and delegation of authority.
4. Applicable trade-agreement obligations (NWPTA and successor agreements).
5. Vendor subscription terms and data-processing agreement.

Vendor-supplied template for procurement support. It is not legal advice and does not replace your purchasing policy. Verify current thresholds and delegated authority before award.