

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 22, 2016**

Item 6, Report No. 4, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on March 22, 2016.

**6**

**BUDGET AMENDMENT  
EP-0079-15 – EMERGENCY BLANKETS AND COTS**

**The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Manager of Emergency Planning and the Fire Chief, dated February 29, 2016:**

**Recommendation**

The Manager of Emergency Planning and the Fire Chief, in consultation with the Acting Deputy City Manager, Community Services and the Director of Financial Planning & Development Finance / Deputy City Treasurer recommend:

1. That the budget for capital project EP-0079-15 Emergency Blankets and Cots be increased by \$14,158; and
2. That funding for the capital budget increase be funded from capital from taxation.

**Contribution to Sustainability**

Not applicable.

**Economic Impact**

As per the approved recommendations in the Ice Storm 2013 After Action Report, in order to ensure that the City had the capacity to provide care to citizens displaced by an emergency, the procurement of cots and blankets was initiated. The anticipated costs were assessed during the budget process via approved capital project EP-0079-15 in the amount of \$56,779. As a result of fluctuations in the US dollar exchange rate, a budget amendment in the amount of \$14,158 is being recommended to accommodate any future foreign exchange rate risk. This would result in a revised capital budget of \$70,937. Funding from capital from taxation will need to be used to fund this shortfall.

**Communications Plan**

Not applicable.

**Purpose**

To obtain Council approval for a budget amendment of \$14,158 to capital project EP-0079-15.

**Background - Analysis and Options**

During the debriefing sessions after the response to the 2013 Ice Storm, members of the Emergency Management Team and front line staff identified the need to have a stockpile of key emergency shelter supplies on hand. Prior to the Ice Storm, the City relied on non-government organizations to provide cots and blankets for our emergency shelters. Due to the large number of municipalities who opened emergency shelters during the Ice Storm and all engaged the resources of the non-government organizations, access to supplies of cots and blankets was significantly impaired.

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Through the Business Plan Process, the Emergency Planning program requested funding to procure 225 cots and linens to be split between three community centres designated as emergency shelters.

In coordination with Procurement Services, a search for suppliers of cots and blankets that met the City's requirements was instituted. The requirements for the cots included; durable construction, easy to clean mattress, ease of set-up, portable rack storage system with dust cover, ability to hold over 300 pounds of weight and accommodate people with disabilities and special needs. There was one manufacturer, Blantex that met the requirements. The cots available from a small number of Canadian suppliers were either folding beds that were too large and difficult to store or camp cots that did not meet the requirements. Blantex does not sell direct, but only through a distributor. An inquiry was made by Procurement Services to the manufacturer for names of distributors of their product in Canada, and unfortunately there were none. Their closest distributor is DQE based in Fishers, Indiana and a sole/single source award was issued.

As illustrated in the table below, funding for the Emergency Blankets & Cots can be funded from capital from taxation. There is a funding shortfall of \$14,158 associated with foreign exchange risk. The shortfall can be funded from the capital from taxation.

<b>Approved Capital Budget (CAD)</b>		
EP-0079-15		<b>\$56,779</b>
<b>Cost of Cots Co. (USD)</b>		\$40,200
Freight		\$3,712
	<b>Total (USD)</b>	<b>\$43,912</b>
US Exchange Rate*	@1.33	\$14,339
<b>Total Cost of Co. (CAD)</b>		<b>\$58,251</b>
Brokerage		\$262
Blankets		\$9,172
Non-refundable portion of HST (1.76%)		\$1,186
Administration Recovery (3%)		\$2,066
<b>Total Costs</b>		<b>\$70,937</b>
<b>Shortfall (CAD)</b>		<b>\$14,158</b>
<b>Budget Amendment: Capital from Taxation</b>		<b>\$14,158</b>

\*Average Noon USD to CAD exchange rate based on invoice receipt; Bank of Canada

The invoice for cots are in US dollars; with an average exchange rate of 1.33, based on the Bank of Canada's average noon rate of invoice receipt, which has been applied to calculate the equivalent cost in Canadian dollars. Currently, the blankets are in the process of being sourced through the Purchasing Department. Once purchased, if there are any remaining funds, these funds will be returned to their original funding source. This project is in accordance with the Purchasing Policy 9.1 (A). It is anticipated that the capital project will be completed in Q2 2016.

**Relationship to Term of Council Service Excellence Strategy Map (2014-2018)**

This report supports the Term of Council Priority of continue to ensure the safety and well-being of citizens.

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**Regional Implications**

This report has no regional implications

**Conclusion**

It is requested that EP-0079-15 – Emergency Blankets and Cots be amended to cover the additional costs of \$14,158 caused by the unfavourable foreign exchange rate.

**Attachments**

N/A.

**Report prepared by:**

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