

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017**

Item 9, Report No. 6, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on June 27, 2017.

#### **9                    PROCUREMENT ACTIVITY REPORT – Q1, ENDING MARCH 31, 2017**

**The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer/City Treasurer and the Director of Procurement Services, dated June 6, 2017:**

##### **Recommendation**

The Chief Financial Officer/City Treasurer and the Director of Procurement Services, in consultation with the City Manager and Director of Financial Planning and Development Finance/Deputy City Treasurer recommend:

1. That the Procurement Activity Report be received.

##### **Contribution to Sustainability**

This report contributes to Service Excellence. Procurement Services supports improving the City of Vaughan's operational performance to enable the delivery of Term of Council priorities while meeting Council's tax rate increase target of no greater than three per cent each year.

Procurement Services ensures that goods, services and construction are acquired at the best value-for-money in an open, fair and transparent manner and contributes to the City's long-term financial sustainability.

##### **Economic Impact**

There is no economic impact resulting from receipt of this report.

##### **Communications Plan**

The report and all attachments are available publicly on the Agenda, Minutes & Extract page of the City's website ([www.vaughan.ca](http://www.vaughan.ca)).

##### **Purpose**

This report provides details of the procurement activity undertaken in the first quarter, ending March 31, 2017. This includes details of contracts and tenders awarded as per Section 6.4 of the Consolidated Purchasing Policy.

##### **Background**

**This report has been prepared under the previous Consolidated Purchasing Policy**

This Consolidated Purchasing Policy was approved by Council in 2012 and outlined the authorization levels for all purchases of goods, services and construction based on specific criteria and thresholds. This included contract awards that requiring Council authorization as well as contracts that could be authorized through delegated authorities, if the specific criterion was met.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

#### Item 9, Finance Report No. 6 – Page 2

#### **A Revised Corporate Procurement Policy came into effect April 1, 2017**

As part of the Procurement Modernization initiative, the revised Corporate Procurement Policy was approved at the March 21 meeting of Council (Report 3, Item 1, Finance, Administration and Audit Committee). The Policy is aligned with the Procurement Services Strategy Map's principles of openness, fairness and transparency, while taking into account the increasing presence of technology and leading practices from other jurisdictions. It will help to streamline the procurement process and provide more departmental accountability and governance, while driving value for money spent by the City in the delivery of the Term of Council Priorities and other Service Excellence initiatives. Future reports will be developed under this revised policy.

#### **Procurement Activities – Quarter ending March 31, 2017**

#### **Procurement Transactions worth \$21.4 million were processed in the First Quarter**

In accordance with the 2012 Consolidated Purchasing Policy, Procurement Services processed 105 procurements valued \$21.4 million during the first quarter. The table below provides a breakdown of these 105 procurements:

Procurement Type	Council		Delegated		Total	
	#	\$	#	\$	#	\$
Tender	4	6,016,533	9	1,275,641	13	7,292,174
Request for Proposal	3	10,186,834	8	657,429	11	10,844,263
Request for Pre-Qualification	1	0	3	0	4	0
Sole/Single Source	5	1,615,137	17	471,714	22	2,086,851
Emergency Purchase			2	48,734	2	48,734
Other*			53	1,159,287	53	1,159,287
<b>Grand Total</b>	<b>13</b>	<b>17,818,504</b>	<b>92</b>	<b>3,612,798</b>	<b>105</b>	<b>\$21,431,302</b>

\*includes: Quotes, Professional/Consulting Awards

Council has awarded 13 of the 105 contracts, making up 83 per cent of the total awarded amount. Attachment 1 provides a breakdown of the above transactions by authority under the Consolidated Purchasing Policy.

#### **Council awarded 13 contracts valued at \$17,818,504**

Section 17 of the 2012 Consolidated Purchasing Policy provided that award of contracts for Request for Proposals and Single and Sole Source purchases over \$100,000 and tenders over \$350,000 must be approved by Council, including contract awards requiring budget amendments.

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017**

Item 9, Finance Report No. 6 – Page 3

The table below summarizes the Council awarded procurements by Portfolio/Office:

Portfolio/ Office		Tender	RFP	RFPQ	SSA	Total
Community Services	#	1	1		1	3
	\$	2,104,000	722,432		401,427	3,227,859
Planning & Growth Mgmt	#		1	1	1	3
	\$		741,773	0	186,710	928,483
Public Works	#	3	1		1	5
	\$	3,912,533	8,722,629		212,000	12,847,162
Chief Information Officer	#				2	2
	\$				815,000	815,000
<b>Grand Total</b>	#	<b>4</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>13</b>
	\$	<b>6,016,533</b>	<b>10,186,834</b>	<b>0</b>	<b>1,615,137</b>	<b>17,818,504</b>

The average contract value was \$1,369,885, with 50 per cent of the contracts below \$635,000 and the majority of contracts falling between \$150,000 and \$500,000. Of the 13 contracts, 1 contract was awarded with a value of \$8,722,869, representing 49 per cent of the total Council-approved award value.

**Director of Procurement Services awarded 64 contracts at value of \$2,843,373**

The 2012 Consolidated Purchasing Policy provided the provision that, upon recommendation from Deputy City Managers and Chiefs, the Director of Procurement Services had the delegated authority to approve contract awards up to \$350,000. These were a result of tender awards between \$100,000 and \$350,000, contract awards through Request for Proposals or Quotes with a value between \$3,000 and \$100,000 and Sole and Single Source Purchases.

Portfolio/ Office		Tender	Contracts (\$3 - \$100 K)	SSA	Total
Community Services	#	2	17	8	27
	\$	410,427	668,670	204,452	1,283,549
Planning & Growth Mgmt	#	1	4	2	7
	\$	133,500	228,229	99,432	461,161
Public Works	#	1	15	3	19
	\$	265,408	406,219	49,830	721,457
Vaughan Public Libraries	#			4	4
	\$			118,000	118,000
CFO & City Treasurer	#		2		2
	\$		10,000		10,000
Chief Information Officer	#	1	4		5
	\$	158,670	90,536		249,206
<b>Grand Total</b>	#	<b>5</b>	<b>42</b>	<b>17</b>	<b>64</b>
	\$	<b>968,005</b>	<b>1,403,654</b>	<b>471,714</b>	<b>2,843,373</b>

*Tender Awards between \$100,000 and \$350,000 – 5 contracts awarded valued at \$968,005*

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

#### Item 9, Finance Report No. 6 – Page 4

Section 6.4 of the 2012 Consolidated Purchasing Policy provided the Director of Procurement Services, upon recommendation from the Deputy City Managers and Chiefs, with the authority to award contracts for tenders between \$100,000 to \$350,000 provided a competitive process was followed and the following criteria has been met:

1. The award was to the lowest priced compliant bidder;
2. The award of the contract was within the approved budget;
3. The award results from the normal tendering process of the City (i.e. open bidding through advertisements);
4. The term of the contract was for a maximum of 4 years;
5. There was no litigation between the successful bidder and the City at the time of award, and;
6. There were no bidder protests at the time of contract award.

The details of the contracts are provided in Attachment 2.

*Contracts between \$3,000 and \$100,000 – 42 contract awards valued at \$1,403,654*

Section 6.2 of the 2012 Consolidated Purchasing Policy provided the Director of Procurement Services, upon recommendation from the Deputy City Managers and Chiefs, with the authority to award contracts between \$3,000 to \$100,000 provided a competitive process was followed, and the award recommended was for a compliant bidder at lowest cost or highest evaluation scoring.

The table below summarizes the contracts awarded by Portfolio/Office:

Portfolio/ Office	# of Purchases	Amount (\$)
Community Services	17	668,670
CFO & City Treasurer	2	10,000
Chief Information Officer	4	90,536
Planning & Growth Mgmt	4	228,229
Public Works	15	406,219
<b>Grand Total</b>	<b>42</b>	<b>1,403,654</b>

The average contract value was \$35,991, with 50% of the contracts below \$24,960 and the majority of contracts falling between \$3,000 and \$10,000.

*Sole and Single Source Purchases – 17 contracts valued at \$471,174*

Section 9 of the 2012 Consolidated Purchasing Policy provided the Director of Procurement Services, upon recommendation from the Deputy City Managers and Chiefs, with the authority to award sole and single source contracts up to a maximum of \$100,000 without the need of a call for bids.

The table below summarizes the single and sole source procurements by Portfolio/Office:

Portfolio/Office	# of Purchases	Amount (\$)
Community Services	8	204,452
Planning and Growth Management	2	99,433
Public Works	3	49,830
Vaughan Public Libraries	4	118,000
<b>Grand Total</b>	<b>17</b>	<b>471,714</b>

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017

#### Item 9, Finance Report No. 6 – Page 5

Upon further analysis of the 17 Sole and Single Source purchases, 3 contracts totaling \$112,192 were Sole Source. The remaining 14 Single Source contracts account for only 1.5% of the total first quarter Procurement spend.

#### **Deputy City Managers and Chiefs awarded 21 contracts at a value of \$369,583**

The 2012 Consolidated Purchasing Policy provided the Deputy City Managers and Chiefs with the delegated authority to award contracts for consulting and professional fees and emergency purchases.

#### *Emergency Purchases – 2 procurements valued at \$48,734*

Section 10 of the 2012 Consolidated Purchasing Policy provided the Deputy City Managers and Chiefs with the authority to make emergency purchases up to \$100,000 without issuing a call of bids. If the purchase was over \$100,000, the initiating Deputy City Manager or Chief was to provide a report to Council within 60 days of the purchase.

The table below summarizes the emergency procurements by Portfolio/Office:

Portfolio/Office	# of Purchases	Amount (\$)
Community Services	2	48,734
<b>Grand Total</b>	<b>2</b>	<b>48,734</b>

#### *Purchases for Consulting and Professional Services – 19 contracts valued at \$320,849*

Section 6.2.1 and 6.2.2 of the 2012 Consolidated Purchasing Policy provided the Deputy City Managers and Chiefs with the authority to award contracts for consulting and professional services up to a maximum of \$35,000 without the need for a call for bids. The award limit for acquiring consulting and professional services without the requirement of obtaining quotes was intended to help expedite the delivery of capital projects in a timely fashion.

The table below summarizes the contract awards by Portfolio/Office:

Portfolio/Office	# of Purchases	Amount (\$)
City Manager	1	30,000
Community Services	2	33,200
Public Works	4	51,435
Planning and Growth Management	8	104,160
Chief Information Officer	2	42,274
Legal and Human Resources	2	59,780
<b>Grand Total</b>	<b>19</b>	<b>320,849</b>

#### **3 Co-operative contracts valued at \$1,087,065 were awarded**

The City may participate with other levels of government, municipalities, boards, agencies, commissions or public sector entities where such plans are determined to be in the best interests of the City. If the City participates with another organization, the City shall adhere to the policies of the organization calling the Co-operative bid. The award of the contract will also be issued in accordance with the lead organization's policies. During the first quarter, the City participated in 3 co-operative contracts with the York Purchasing Co-operative (YPC).

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017**

#### Item 9, Finance Report No. 6 – Page 6

The table below summarizes the YPC procurements by Portfolio/Office:

Portfolio	Awarded Vendor		Amount (\$)
City Clerk	Iron Mountain Canada Corp	Off-Site Records Services	150,000
Community Services	Swish Mister Chemical	Caretaking Supply	480,943
Public Works	Fermar Paving Ltd Cocco Paving Inc	Asphalt Material Supply	456,122
<b>Grand Total</b>			<b>1,087,065</b>

#### **Departments processed an additional \$2.1 million in Low Value Procurements**

In order to provide departments with the flexibility to conduct their day-to-day business, departments have the authority to purchase goods and services using Purchasing Cards (P-Cards) and Low Value Purchase (LVP) Orders. As of March 31, 2017, there were 190 P-Card holders throughout the corporation, while during the same quarter last year, there were only 98 P-Card Holders. During the first quarter, departments processed \$0.6 million using P-Cards and \$1.5 million using LVPs. Low Value Purchase Orders eliminated as of April 1, 2017. Moving forward departments will be required to use P-Cards or Low Dollar Module Purchase Orders in JD Edwards. The transition to an electronic process will improve visibility, tracking and analysis of low-value spend.

#### **Upcoming Procurement Activities**

As the City continues to deliver the Term of Council priorities, there will be some upcoming procurement in the second quarter of 2017. Some of these include:

- Road Reconstruction and Watermain Replacement – McKenzie St
- Supply & Delivery of Hardware and Installation for Networking Solutions
- AVL/GPS Hardware Supply/Installation and Software Services

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

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

#### **Regional Implications**

Not applicable

#### **Conclusion**

This report has been prepared under the previous 2012 Consolidated Purchasing Policy. The total value of the 105 contracts awarded in Quarter 1, 2017 is \$21.4 million. Of these, 13 contracts totaling \$17.8 million were approved by Council. The remaining 92 contracts totaling \$3.6 million were awarded as per the delegated authority outlined in the Policy.

A revised Corporate Procurement Policy was approved at the March 21 meeting of Council (Report 3, Item 1, Finance, Administration and Audit Committee). Future Procurement Activity Reports will be developed under this revised policy.

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 27, 2017**

Item 9, Finance Report No. 6 – Page 7

**Attachments**

Attachment 1: Procurement Activity - Quarter 1, Ending March 31, 2017

Attachment 2: Tender Awards between \$100,000 and \$350,000 - Quarter 1, Ending March 31, 2017

**Report prepared by:**

Nick LaRocca  
Business Analyst

Jackie Macchiusi, CPA, CGA  
Procurement Manager, Client Relations and Category Management

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

**PROCUREMENT ACTIVITY REPORT – Q1, ENDING MARCH 31, 2017**

**Recommendation**

The Chief Financial Officer/City Treasurer and the Director of Procurement Services, in consultation with the City Manager and Director of Financial Planning and Development Finance/ Deputy City Treasurer recommend:

1. That the Procurement Activity Report be received.

**Contribution to Sustainability**

This report contributes to Service Excellence. Procurement Services supports improving the City of Vaughan's operational performance to enable the delivery of Term of Council priorities while meeting Council's tax rate increase target of no greater than three per cent each year.

Procurement Services ensures that goods, services and construction are acquired at the best value-for-money in an open, fair and transparent manner and contributes to the City's long-term financial sustainability.

**Economic Impact**

There is no economic impact resulting from receipt of this report.

**Communications Plan**

The report and all attachments are available publicly on the Agenda, Minutes & Extract page of the City's website ([www.vaughan.ca](http://www.vaughan.ca)).

**Purpose**

This report provides details of the procurement activity undertaken in the first quarter, ending March 31, 2017. This includes details of contracts and tenders awarded as per Section 6.4 of the Consolidated Purchasing Policy.

**Background**

**This report has been prepared under the previous Consolidated Purchasing Policy**

This Consolidated Purchasing Policy was approved by Council in 2012 and outlined the authorization levels for all purchases of goods, services and construction based on specific criteria and thresholds. This included contract awards that requiring Council authorization as well as contracts that could be authorized through delegated authorities, if the specific criterion was met.

**A Revised Corporate Procurement Policy came into effect April 1, 2017**

As part of the Procurement Modernization initiative, the revised Corporate Procurement Policy was approved at the March 21 meeting of Council (Report 3, Item 1, Finance, Administration and Audit Committee). The Policy is aligned with the Procurement Services Strategy Map's principles of openness, fairness and transparency, while taking into account the increasing presence of technology and leading practices from other jurisdictions. It will help to streamline the procurement process and provide more departmental accountability and governance, while driving value for money spent by the City in the delivery of the Term of Council Priorities and other Service Excellence initiatives. Future reports will be developed under this revised policy.



## **Procurement Activities – Quarter ending March 31, 2017**

### **Procurement Transactions worth \$21.4 million were processed in the First Quarter**

In accordance with the 2012 Consolidated Purchasing Policy, Procurement Services processed 105 procurements valued \$21.4 million during the first quarter. The table below provides a breakdown of these 105 procurements:

Procurement Type	Council		Delegated		Total	
	#	\$	#	\$	#	\$
Tender	4	6,016,533	9	1,275,641	13	7,292,174
Request for Proposal	3	10,186,834	8	657,429	11	10,844,263
Request for Pre-Qualification	1	0	3	0	4	0
Sole/Single Source	5	1,615,137	17	471,714	22	2,086,851
Emergency Purchase			2	48,734	2	48,734
Other*			53	1,159,287	53	1,159,287
<b>Grand Total</b>	<b>13</b>	<b>17,818,504</b>	<b>92</b>	<b>3,612,798</b>	<b>105</b>	<b>\$21,431,302</b>

\*includes: Quotes, Professional/Consulting Awards

Council has awarded 13 of the 105 contracts, making up 83 per cent of the total awarded amount. Attachment 1 provides a breakdown of the above transactions by authority under the Consolidated Purchasing Policy.

### **Council awarded 13 contracts valued at \$17,818,504**

Section 17 of the 2012 Consolidated Purchasing Policy provided that award of contracts for Request for Proposals and Single and Sole Source purchases over \$100,000 and tenders over \$350,000 must be approved by Council, including contract awards requiring budget amendments.

The table below summarizes the Council awarded procurements by Portfolio/Office:

Portfolio/ Office		Tender	RFP	RFPQ	SSA	Total
Community Services	#	1	1		1	3
	\$	2,104,000	722,432		401,427	3,227,859
Planning & Growth Mgmt	#		1	1	1	3
	\$		741,773	0	186,710	928,483
Public Works	#	3	1		1	5
	\$	3,912,533	8,722,629		212,000	12,847,162
Chief Information Officer	#				2	2
	\$				815,000	815,000
<b>Grand Total</b>	<b>#</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>5</b>	<b>13</b>
	<b>\$</b>	<b>6,016,533</b>	<b>10,186,834</b>	<b>0</b>	<b>1,615,137</b>	<b>17,818,504</b>

The average contract value was \$1,369,885, with 50 per cent of the contracts below \$635,000 and the majority of contracts falling between \$150,000 and \$500,000. Of the 13 contracts, 1 contract was awarded with a value of \$8,722,869, representing 49 per cent of the total Council-approved award value.

### **Director of Procurement Services awarded 64 contracts at value of \$2,843,373**

The 2012 Consolidated Purchasing Policy provided the provision that, upon recommendation from Deputy City Managers and Chiefs, the Director of Procurement Services had the delegated

authority to approve contract awards up to \$350,000. These were a result of tender awards between \$100,000 and \$350,000, contract awards through Request for Proposals or Quotes with a value between \$3,000 and \$100,000 and Sole and Single Source Purchases.

Portfolio/ Office		Tender	Contracts (\$3 - \$100 K)	SSA	Total
Community Services	#	2	17	8	27
	\$	410,427	668,670	204,452	1,283,549
Planning & Growth Mgmt	#	1	4	2	7
	\$	133,500	228,229	99,432	461,161
Public Works	#	1	15	3	19
	\$	265,408	406,219	49,830	721,457
Vaughan Public Libraries	#			4	4
	\$			118,000	118,000
CFO & City Treasurer	#		2		2
	\$		10,000		10,000
Chief Information Officer	#	1	4		5
	\$	158,670	90,536		249,206
<b>Grand Total</b>	#	<b>5</b>	<b>42</b>	<b>17</b>	<b>64</b>
	\$	<b>968,005</b>	<b>1,403,654</b>	<b>471,714</b>	<b>2,843,373</b>

*Tender Awards between \$100,000 and \$350,000 – 5 contracts awarded valued at \$968,005*

Section 6.4 of the 2012 Consolidated Purchasing Policy provided the Director of Procurement Services, upon recommendation from the Deputy City Managers and Chiefs, with the authority to award contracts for tenders between \$100,000 to \$350,000 provided a competitive process was followed and the following criteria has been met:

1. The award was to the lowest priced compliant bidder;
2. The award of the contract was within the approved budget;
3. The award results from the normal tendering process of the City (i.e. open bidding through advertisements);
4. The term of the contract was for a maximum of 4 years;
5. There was no litigation between the successful bidder and the City at the time of award, and;
6. There were no bidder protests at the time of contract award.

The details of the contracts are provided in Attachment 2.

*Contracts between \$3,000 and \$100,000 – 42 contract awards valued at \$1,403,654*

Section 6.2 of the 2012 Consolidated Purchasing Policy provided the Director of Procurement Services, upon recommendation from the Deputy City Managers and Chiefs, with the authority to award contracts between \$3,000 to \$100,000 provided a competitive process was followed, and the award recommended was for a compliant bidder at lowest cost or highest evaluation scoring.

The table below summarizes the contracts awarded by Portfolio/Office:

Portfolio/ Office	# of Purchases	Amount (\$)
Community Services	17	668,670
CFO & City Treasurer	2	10,000
Chief Information Officer	4	90,536

Portfolio/ Office	# of Purchases	Amount (\$)
Planning & Growth Mgmt	4	228,229
Public Works	15	406,219
<b>Grand Total</b>	<b>42</b>	<b>1,403,654</b>

The average contract value was \$35,991, with 50% of the contracts below \$24,960 and the majority of contracts falling between \$3,000 and \$10,000.

*Sole and Single Source Purchases – 17 contracts valued at \$471,174*

Section 9 of the 2012 Consolidated Purchasing Policy provided the Director of Procurement Services, upon recommendation from the Deputy City Managers and Chiefs, with the authority to award sole and single source contracts up to a maximum of \$100,000 without the need of a call for bids.

The table below summarizes the single and sole source procurements by Portfolio/Office:

Portfolio/Office	# of Purchases	Amount (\$)
Community Services	8	204,452
Planning and Growth Management	2	99,433
Public Works	3	49,830
Vaughan Public Libraries	4	118,000
<b>Grand Total</b>	<b>17</b>	<b>471,714</b>

Upon further analysis of the 17 Sole and Single Source purchases, 3 contracts totaling \$112,192 were Sole Source. The remaining 14 Single Source contracts account for only 1.5% of the total first quarter Procurement spend.

**Deputy City Managers and Chiefs awarded 21 contracts at a value of \$369,583**

The 2012 Consolidated Purchasing Policy provided the Deputy City Managers and Chiefs with the delegated authority to award contracts for consulting and professional fees and emergency purchases.

*Emergency Purchases – 2 procurements valued at \$48,734*

Section 10 of the 2012 Consolidated Purchasing Policy provided the Deputy City Managers and Chiefs with the authority to make emergency purchases up to \$100,000 without issuing a call of bids. If the purchase was over \$100,000, the initiating Deputy City Manager or Chief was to provide a report to Council within 60 days of the purchase.

The table below summarizes the emergency procurements by Portfolio/Office:

Portfolio/Office	# of Purchases	Amount (\$)
Community Services	2	48,734
<b>Grand Total</b>	<b>2</b>	<b>48,734</b>

*Purchases for Consulting and Professional Services – 19 contracts valued at \$320,849*

Section 6.2.1 and 6.2.2 of the 2012 Consolidated Purchasing Policy provided the Deputy City Managers and Chiefs with the authority to award contracts for consulting and professional

services up to a maximum of \$35,000 without the need for a call for bids. The award limit for acquiring consulting and professional services without the requirement of obtaining quotes was intended to help expedite the delivery of capital projects in a timely fashion.

The table below summarizes the contract awards by Portfolio/Office:

Portfolio/Office	# of Purchases	Amount (\$)
City Manager	1	30,000
Community Services	2	33,200
Public Works	4	51,435
Planning and Growth Management	8	104,160
Chief Information Officer	2	42,274
Legal and Human Resources	2	59,780
<b>Grand Total</b>	<b>19</b>	<b>320,849</b>

### 3 Co-operative contracts valued at \$1,087,065 were awarded

The City may participate with other levels of government, municipalities, boards, agencies, commissions or public sector entities where such plans are determined to be in the best interests of the City. If the City participates with another organization, the City shall adhere to the policies of the organization calling the Co-operative bid. The award of the contract will also be issued in accordance with the lead organization's policies. During the first quarter, the City participated in 3 co-operative contracts with the York Purchasing Co-operative (YPC).

The table below summarizes the YPC procurements by Portfolio/Office:

Portfolio	Awarded Vendor		Amount (\$)
City Clerk	Iron Mountain Canada Corp	Off-Site Records Services	150,000
Community Services	Swish Mister Chemical	Caretaking Supply	480,943
Public Works	Fermar Paving Ltd Cocco Paving Inc	Asphalt Material Supply	456,122
<b>Grand Total</b>			<b>1,087,065</b>

### Departments processed an additional \$2.1 million in Low Value Procurements

In order to provide departments with the flexibility to conduct their day-to-day business, departments have the authority to purchase goods and services using Purchasing Cards (P-Cards) and Low Value Purchase (LVP) Orders. As of March 31, 2017, there were 190 P-Card holders throughout the corporation, while during the same quarter last year, there were only 98 P-Card Holders. During the first quarter, departments processed \$0.6 million using P-Cards and \$1.5 million using LVPs. Low Value Purchase Orders eliminated as of April 1, 2017. Moving forward departments will be required to use P-Cards or Low Dollar Module Purchase Orders in JD Edwards. The transition to an electronic process will improve visibility, tracking and analysis of low-value spend.

### Upcoming Procurement Activities

As the City continues to deliver the Term of Council priorities, there will be some upcoming procurement in the second quarter of 2017. Some of these include:

- Road Reconstruction and Watermain Replacement – McKenzie St

- Supply & Delivery of Hardware and Installation for Networking Solutions
- AVL/GPS Hardware Supply/Installation and Software Services

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

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

#### **Regional Implications**

Not applicable

#### **Conclusion**

This report has been prepared under the previous 2012 Consolidated Purchasing Policy. The total value of the 105 contracts awarded in Quarter 1, 2017 is \$21.4 million. Of these, 13 contracts totaling \$17.8 million were approved by Council. The remaining 92 contracts totaling \$3.6 million were awarded as per the delegated authority outlined in the Policy.

A revised Corporate Procurement Policy was approved at the March 21 meeting of Council (Report 3, Item 1, Finance, Administration and Audit Committee). Future Procurement Activity Reports will be developed under this revised policy.

#### **Attachments**

Attachment 1: Procurement Activity - Quarter 1, Ending March 31, 2017

Attachment 2: Tender Awards between \$100,000 and \$350,000 - Quarter 1, Ending March 31, 2017

#### **Report prepared by:**

Nick LaRocca  
Business Analyst

Jackie Macchiusi, CPA, CGA  
Procurement Manager, Client Relations and Category Management

Respectfully submitted,

---

Asad Chughtai  
Director of Procurement Services

---

Laura Mirabella-Siddall, CPA, CA  
Chief Financial Officer & City Treasurer

## Attachment 1: Procurement Activity - Quarter 1, Ending March 31, 2017

### TOTAL PROCUREMENT

Council Approved (Policy PS-003 Section 17)	Q1 2017	
	No. of Awards	Value (\$)
Tenders	4	6,016,533
Request for Proposals (RFP)	3	10,186,834
Request for Pre-Qualification (RFPQ)	1	-
Sole/Single Source	5	1,615,137
<b>Total</b>	<b>13</b>	<b>17,818,504</b>

Director Procurement Services (Policy PS-003 Section 6.2 and 6.4)	Q1 2017	
	No. of Awards	Value (\$)
Tenders	5	968,005
Request for Proposals (RFP)	2	326,950
Request for Prequalification (RFPQ)	2	-
Quotes	1	72,899
<b>Total</b>	<b>10</b>	<b>1,367,854</b>

Other Delegated Authority (As per Policy PS-003)	Q1 2017	
	No. of Awards	Value (\$)
Tenders	4	307,636
Request for Proposals (RFPs)	6	330,479
Request for Pre-Qualification (RFPQ)	1	-
Request for Expression of Interest (RFEI)	1	-
Quotes	32	765,539
Sole/Single Source	17	471,714
Professional Services	19	320,849
Emergency Purchases	2	48,734
<b>Total</b>	<b>82</b>	<b>2,244,951</b>

<b>Total Procurement</b>	<b>105</b>	<b>21,431,309</b>
--------------------------	------------	-------------------

### Other Procurements:

Type	Value (\$)
Co-Op with York Purchasing Co-operative	1,087,065
Purchasing Card Transactions	620,775
Low Value Purchase Orders	1,436,163

**Attachment 2: Tender Awards between \$100,000 and \$350,000 - Quarter 1, Ending March 31, 2017**

Portfolio/ Office	Bid Number	Description	Awarded Bidder(s)/Proponents	# of Bids Rec'd	Total Contract value
Community Services Portfolio	T16-444	Replacement of existing Myrtha Liner - Woodbridge Pool - Large and Small Pools	Sustainable Aquatic Systems Inc	1	296,538
	T17-021	Upgrading Building Automation Systems at Various Locations	Mircom Technologies Ltd.	1	113,889
Off. of the CIO	T17-042	Supply and Delivery of Microsoft Surface Pro 4 Tablets, Lenovo x260 Thinkpads and Panasonic Toughbooks	CDW	1	158,670
Planning & Growth Mgmt Portfolio	T16-414	Pathway lighting for King High Park and Bob O'Link Parkette	Wayne Electric	1	133,500
Public Works Portfolio	T17-023	Part C: Baseball Field Clay Products Part D: Various Soils Part E: Sod	Part C - Mar Co Clay Products: 127,625 Part D - Garden City: 94,628 Part E - Brower Sod Farm Inc: 43,155	1	265,408
<b>Grand Total</b>				<b>5</b>	<b>968,005</b>