



INFORMATION REPORT

TO: Chair and Members Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: September 10, 2012	
SUBJECT/REPORT NO: 2012 Second Quarter Emergency and Non-Competitive Procurements Report (FCS12040(a)) (City Wide)	
SUBMITTED BY: Roberto Rossini General Manager Finance & Corporate Services Department	PREPARED BY: Rick Male (905) 546 2424 ext. 4157
SIGNATURE:	

Council Direction:

Council has directed staff to report on the use of Sections 4.10 and 4.11 of the Procurement Policy on a quarterly basis.

Information:

This report is issued quarterly in accordance with the Procurement Policy. This report details the procurement of goods and/or services during emergency situations and those detailed in Section 4.11 – Non-competitive Procurements for the second quarter 2012.

The Policy for Non-competitive Procurements is used in narrowly defined circumstances where it is justified that the policies for the general acquisition process could not be followed. The “Request to Use the Non-competitive Procurements/Emergency Reporting Form” is completed by the Client Department and approved by the General Manager.

During the second quarter of 2012, there were 108 purchases totalling \$3,984,595 and one revenue generating contract extension totalling \$29,404 which were processed through the use of approved Policy 10 and 11. These are summarized in Appendix ‘A’ to report FCS12040(a).

The breakdown is as follows:

- 19 purchases totalling \$777,087 were issued under Policy 10, as “Emergency” purchases, whereby goods and services shall be acquired by the most expedient and economical means. The following purchases represent approximately 46 percent of the total spent for this category:
 - Purchase order 64668 for \$247,627 was issued to McCanical Inc. for the emergency removal of existing pumps, and installation and service of temporary pumps, including electrical and piping modifications at the Eastwood Park Combined Sewer Overflow Tank. The pumps were required to remove built up sewage and will remain in place to keep the system operational.
 - Purchase order 65041 for \$111,434 was issued to Dufferin Construction Co. to provide traffic control and removal of failed bin wall sections of the Claremont Access. The upper section of the wall failed due to the loss of bearing when the anchorage of the supporting lower wall section failed and the wall leaned outwards. Consultants inspected the failed wall and recommended scaling of the exposed face, installation of a drip mesh and reinforcement of the bin wall panels adjacent to the failure. The work required to fix the failed wall sections will be undertaken by another contractor. Dufferin Construction Co. will continue to provide construction support services throughout the remedial work, the approval of which was included in this Policy 10 approval.
- Four purchases totalling \$46,739, and one revenue generating contract extension totalling \$29,404 which represents short-term “Extensions” of current contracts which have expired and unforeseeable circumstances have caused a delay in awarding a new contract. The following purchase order represents approximately 43 percent of the total spent for this category:
 - Contract C6-04-07 Provision of Collection Services for the City of Hamilton’s Provincial Offences Act Office as and when required was extended to July 31, 2012. The new contract award is pending due to the successful vendor changing their legal name. Sufficient time is required to process the change of name, therefore, the current contract required extending in order to maintain the revenue.
- 48 purchases totalling \$2,219,270 were identified as “Single Source” purchases whereby a particular vendor was recommended because it was more cost-effective or beneficial to the City. The following purchases represent the largest dollar amount in this category:

- Purchase order 49969 for \$245,000 was issued to Insyght Systems Inc. Due to pump deficiency issues with a supplier, the High Lift Pumping Station Electrical Upgrades at the Woodward Avenue Water Treatment Plant completion date has been extended to August 2012. As a result additional contract administration and design related services will be required by Insyght Systems Inc. The City is in the process of recovering these funds from the Contractor through liquidated damages on the construction contract.
- Purchase order 64971 for \$219,732 was issued to Deloitte & Touche LLP. Deloitte & Touche LLP (Deloitte) was originally retained in June 2011 through a Policy 12 (Cooperative Purchasing) and PPP Canada's Roster, to assist the City in obtaining PPP Canada funding for the Biosolids Management Project. Deloitte's assignment included two stages. Stage 1 was approved and completed and was for the submission of the application to PPP Canada, providing an outline of the proposed project and demonstrating the proposed project would meet PPP Canada funding requirements. Stage 2, the business case for funding which would include a more detailed description of the project as well as a value for money assessment and risk assessment, was also included in Deloitte's purchase order. Council, at its meeting of December 14, 2011, approved proceeding with Stage 2 which now included a more detailed scope of work and therefore would result in additional costs. PPP Canada's Roster requires a minimum of three quotes for assignments or expanded works over \$100,000. Due to tight timelines (Councillor workshops in April; Council meeting in June) and considering Deloitte's knowledge of the assignment to date, it was decided to cancel Stage 2 of the original Purchase Order and to retain Deloitte to complete Stage 2 as a new assignment under a Single Source Policy 11.
- Purchase order 65316 for \$165,491 was issued to Zeag Canada Ltd. to provide two additional payment stations at the Convention Centre Parking Garage. The two additional payment stations are required to improve customer service and address Accessibility for Ontarians with Disabilities Act requirements. The Orion parking revenue system is currently in place and Zeag is the only supplier of this system. Other manufacturer's components are not compatible with the Orion system.

- Purchase order 64861 for \$150,000 was issued to Watson & Associates Economist Ltd. to assist with the defence of Development Charges Bylaw appeals to the Ontario Municipal Board. Watson & Associates Economist Ltd. were the consultants hired by the City to produce the Development Charges Background Studies, making it imperative that they provide their expertise and support to the City during the Ontario Municipal Board appeals process.
- 36 purchases totalling \$1,016,624 were “Sole Source” purchases, where it was deemed that there was only one source of supply in the open market. The following purchases represent the largest dollar amount in this category:
 - This approval was required to enable brand naming of a self venting high temperature warewashing machine manufactured by Hobart. Hobart is the only known manufacturer of self venting high temperature warewashing machines available to the Canadian market. The machines are required to meet Macassa Lodge’s functional requirements and the supply and installation of the warewashing machines will be tendered through a procurement process. The approximate value of the machines is \$120,000.
 - Purchase order 64669 for \$105,735 was issued to Siemens Industry Inc. for original equipment manufacturer spare parts, supplies and services for existing regulatory devices and equipment utilized by Plant Operations. Alternate manufacturers of these parts would require modifications to other parts of the system.
- There was one instance where a department utilized the Negotiation Policy under the former Purchasing Policy 09-230, without receiving the proper approvals as required by the Purchasing Policy. The department was instructed on the proper procedure to be followed in the future. The value of goods and services procured in this instance was \$14,875.

Future occurrences of non-compliance will be reported as required by Procurement Policy 11-297, Policy 19 - Non-compliance with the Procurement Policy, Report (FCS12038(a)).

Requests for Quotations, Tenders and Proposals are issued to encourage the competitive bidding process with objective and equitable treatment of all vendors, in accordance with the Procurement Policy approved by Council. Council approved Section 4.11 – Non-Competitive Procurements, a policy designed to ensure a fair and equitable treatment of vendors where the competitive process is restricted.

2012 Second Quarter Emergency and Non-Competitive Procurements Report

PO No.	Type	Amount	Name	Department/Division
Corporate Services				
Manual3	EXTN	(\$ 29,403.98)	WAXMAN INDUSTRIAL SERVICES CORP.	Financial Services
Manual2	EXTN	\$ 9,738.89	LASER RECHARGE INC.	Financial Services
65455	EXTN	\$ 20,000.00	IQOR CANADA LTD	PROVINCIAL OFFENCES OFFICE
64458	SGLE	\$ 35,000.00	MCMASTER UNIVERSITY	Corporate Services
62252	SGLE	\$ 98,900.00	IBM CANADA LTD	Financial Services
64861	SGLE	\$ 150,000.00	WATSON & ASSOCIATES ECONOMIST LTD	Financial Planning and Policy
Community Services				
64509	EMER	\$ 9,635.85	BOADEN'S	Child care
64355	SGLE	\$ 10,000.00	THERAPEUTIC SURFACE SOLUTIONS INC	MACASSA LODGE
64815	SGLE	\$ 11,865.00	MARINELAND OF CANADA INC	RECREATION
64816	SGLE	\$ 12,000.00	AFRICAN LION SAFARI AND GAME FARM LTD	RECREATION
64817	SGLE	\$ 15,000.00	BINGEMANS INC	RECREATION
64975	SGLE	\$ 16,000.00	MHPM PROJECT MANAGERS INC.	RECREATION
64859	SGLE	\$ 17,206.00	HAMILTON REGION CONSERVATION AUTHORITY	RECREATION
64444	SGLE	\$ 23,000.00	HAMILTON CAB COMPANY INC.	Child care
64856	SGLE	\$ 25,380.08	DOLLAR THRIFTY CAR RENTALS	RECREATION
64510	SOLE	\$ 27,900.00	MISSION SYSTEMS DEVELOPMENT CORP	Child care
Manual1	SOLE	\$ 120,000.00	HOBART CANADA	Community Services
Hamilton Emergency Services				
64405	EXTN	\$ 8,000.00	WAJAX POWER SYSTEMS	Emergency Services
64428	EXTN	\$ 9,000.00	GREAT NORTHERN BATTERY SYSTEMS	Emergency Services
64662	NON	\$ 14,875.00	ALLIED MEDICAL INSTRUMENTS INC	Emergency Services
65072	SGLE	\$ 40,000.00	METRO COLLISION SERVICES INC	Emergency Services
Hamilton Public Library				
65103	SOLE	\$ 20,545.00	EARLY LITERACY STATIONS CANADA	Hamilton Public Library
64639	SGLE	\$ 30,375.00	BIBLIOTHECA-ITG	Hamilton Public Library

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PO No.	Type	Amount	Name	Department/Division
HECFI				
65178	EMER	\$ 7,000.00	WILCOX DOOR SERVICE INC	HECFI
65345	SGLE	\$ 8,046.80	604402 N.B LTD O/A BTV BUSINESS	HECFI
Planning and Economic Development				
59621	SGLE	\$ 6,100.00	HILL STRATEGIES RESEARCH INC	Culture
64702	SGLE	\$ 6,700.00	SUPPLY CHAIN & LOGISTICS ASSOCIATION OF	Planning & Development
65273	SOLE	\$ 8,000.00	CTM MEDIA GROUP LTD	Culture
65667	SGLE	\$ 11,000.00	CRAIG SIMS	Culture
65704	SGLE	\$ 15,844.00	ACF COMMUNICATION SERVICES INC	MUNICIPAL LAW ENFORCEMENT
64658	SGLE	\$ 25,000.00	ASI GROUP LTD	Culture
64825	SGLE	\$ 25,000.00	AGE OF BRONZE	City Planning
64891	SGLE	\$ 25,000.00	MARKET2WORLD COMMUNICATIONS INC	Planning & Development
64959	SGLE	\$ 25,000.00	RESEARCH CONSULTANTS INTERNATIONAL	Planning & Development
65316	SGLE	\$ 165,491.60	ZEAG CANADA LTD	Parking Services
Police				
64441	EMER	\$ 5,427.80	HOUSE OF ELECTRONICS	Police
64492	SGLE	\$ 8,415.00	NATIONAL POLYGRAPH SERVICES	Police
64641	SOLE	\$ 10,000.00	CHUBB SECURITY SYSTEMS	Police
64746	SOLE	\$ 6,183.00	ALLEN VANGUARD CORPORATION	Police
64822	SOLE	\$ 40,000.00	MOBILE MARINE SERVICES	Police
65062	SOLE	\$ 5,358.30	TERENCE WEBSTER DESIGN AND	Police
65512	SGLE	\$ 13,000.00	ALL THE RIGHT GEARS	Police
65707	SOLE	\$ 12,000.00	CANADIAN AMMUNITION DISPOSAL SERVICE	Police
65679	SOLE	\$ 11,957.85	M D CHARLTON CO LTD	Police
Public Health				
65503	SGLE	\$ 69,000.00	ROTEK ENVIRONMENTAL INC	HEALTH PROTECTION DIVISION
65306	SGLE	\$ 78,000.00	MCMASTER UNIVERSITY	PH_PLAN_BUSINESS_IMPROVEMENT
Public Works - Environment & Sustainable Infrastructure				
64990	SOLE	\$ 5,379.00	CAN-AM INSTRUMENTS LTD.	Water and Wastewater
64765	SOLE	\$ 5,450.00	SCHNEIDER ELECTRIC CANADA INC	Water and Wastewater
65191	SOLE	\$ 5,677.00	CONVAL EQUIPMENT LTD.	Water and Wastewater
65627	SOLE	\$ 5,924.08	ALFA LAVAL INC.	Water and Wastewater

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PO No.	Type	Amount	Name	Department/Division
64988	EMER	\$ 6,545.00	WM GROVES LIMITED	Water and Wastewater
64769	SGLE	\$ 7,500.00	EL-HAMZAWI ENGINEERING LTD.	ENVIRONMENT&SUSTAIN INFRASTRUC
64360	SOLE	\$ 7,500.00	HAMILTON WATERFRONT TRUST	Water and Wastewater
64671	SOLE	\$ 7,500.00	SCP SCIENCE	Water and Wastewater
65058	EMER	\$ 7,970.00	FISHER HEATING INC	Water and Wastewater
65347	SOLE	\$ 9,494.16	WAJAX INDUSTRIAL COMPONENTS	Water and Wastewater
64939	SOLE	\$ 11,400.00	SIEMENS CANADA LIMITED	Water and Wastewater
64563	EMER	\$ 11,875.00	TERRATEC ENVIRONMENTAL LTD	Water and Wastewater
60653	SGLE	\$ 12,480.00	MHBC PLANNING	ENVIRONMENT&SUSTAIN INFRASTRUC
65087	SGLE	\$ 13,650.00	HAMILTON WATERFRONT TRUST	Water and Wastewater
65631	SOLE	\$ 13,922.00	SIEMENS WATER TECHNOLOGIES CANADA, INC.	Water and Wastewater
64423	SOLE	\$ 15,066.70	TRANSCAT INC	Water and Wastewater
65490	SOLE	\$ 15,256.10	UNIVERSITY OF TORONTO	ENVIRONMENT&SUSTAIN INFRASTRUC
64850	EMER	\$ 15,306.52	RESOURCE ENVIRONMENTAL ASSOCIATES	Water and Wastewater
64982	SOLE	\$ 16,834.50	XYLEM WATER SOLUTIONS	Water and Wastewater
65194	SOLE	\$ 16,887.36	AGILENT TECHNOLOGIES CANADA INC	Water and Wastewater
64940	SOLE	\$ 20,416.42	WAJAX INDUSTRIAL COMPONENTS	Water and Wastewater
64766	EMER	\$ 21,229.31	ACCUWORX INC	Water and Wastewater
64389	SOLE	\$ 21,295.82	XYLEM WATER SOLUTIONS	Water and Wastewater
64674	EMER	\$ 21,450.00	FORCE 1 SECURITY	Water and Wastewater
51478	SGLE	\$ 29,120.00	GENIVAR INC	Water and Wastewater
64672	EMER	\$ 34,755.00	HANSON PRESSURE PIPE INC.	Water and Wastewater
64436	SOLE	\$ 35,000.00	HACH SALES & SERVICE CANADA LTD.	Water and Wastewater
64673	SOLE	\$ 35,510.84	WAJAX INDUSTRIAL COMPONENTS	Water and Wastewater
64849	EMER	\$ 36,036.60	S & S ELECTRICAL SERVICES INC	Water and Wastewater
50158	SGLE	\$ 40,000.00	THIER & CURRAN ARCHITECTS	ENVIRONMENT&SUSTAIN INFRASTRUC
65295	SOLE	\$ 40,480.00	ESC AUTOMATION LTD	Water and Wastewater
64678	SOLE	\$ 44,498.00	XYLEM WATER SOLUTIONS	Water and Wastewater
65628	SOLE	\$ 45,220.00	SIEMENS WATER TECHNOLOGIES CANADA, INC.	Water and Wastewater
64941	EMER	\$ 51,744.00	1623052 ONTARIO LIMITED- CB SALES CANADA	Water and Wastewater
64667	SOLE	\$ 55,800.00	A&F INDUSTRIES	Water and Wastewater
65666	SOLE	\$ 56,826.68	XYLEM WATER SOLUTIONS	Water and Wastewater

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PO No.	Type	Amount	Name	Department/Division
64851	EMER	\$ 68,472.00	ALCO SHEET METAL	Water and Wastewater
64361	SOLE	\$ 75,770.00	EATON YALE COMPANY	Water and Wastewater
65193	SGLE	\$ 95,000.00	ELSTER METERING	Water and Wastewater
64669	SOLE	\$ 105,735.00	SIEMENS INDUSTRY INC	Water and Wastewater
64971	SGLE	\$ 219,732.70	DELOITTE & TOUCHE LLP	Water and Wastewater
49969	SGLE	\$ 245,000.00	INSYGHY SYSTEMS INC	Water and Wastewater
64668	EMER	\$ 247,627.72	MCCANICAL INCORPORATED	Water and Wastewater
Public Works - Operations & Waste Management				
65259	EMER	\$ 13,592.98	HEDDLE MARINE SERVICES INC	Operations & Waste Management
64637	EMER	\$ 20,895.00	AMS INC	Operations & Waste Management
64595	EMER	\$ 21,090.43	DUFFERIN CONSTRUCTION CO.	Operations & Waste Management
64858	SGLE	\$ 25,000.00	GRIFFIN KOERTH INC.	Operations & Waste Management
63920	SGLE	\$ 50,000.00	LES ENTREPRISES FORLAM INC.	Operations & Waste Management
64597	EMER	\$ 65,000.00	MTE CONSULTANTS INC	Operations & Waste Management
65041	EMER	\$ 111,434.59	DUFFERIN CONSTRUCTION CO.	Operations & Waste Management
Public Works - Transportation, Energy & Facilities				
65509	SOLE	\$ 11,836.00	FORTTRAN TRAFFIC SYSTEMS LIMITED	Traffic Operations
64430	SGLE	\$ 13,000.00	BLACK & MCDONALD LIMITED	FLEET AND FACILITIES
64413	SGLE	\$ 13,702.75	MR ELECTRIC BRANTFORD	FLEET AND FACILITIES
65112	SGLE	\$ 15,000.00	OPENSTREETS HAMILTON	TRANSIT
62017	SGLE	\$ 15,271.00	HARPAR MANAGEMENT CORPORATION	Traffic Operations
64787	SGLE	\$ 20,000.00	GREEN VENTURE	TRANSIT
64407	SGLE	\$ 33,977.25	HANK AND SON ELECTRIC	FLEET AND FACILITIES
64431	SGLE	\$ 35,000.00	HAMILTON COMMUNITY ENERGY	FLEET AND FACILITIES
65531	SGLE	\$ 40,000.00	PASSWORD PROTECTION	FLEET AND FACILITIES
63351	SGLE	\$ 50,000.00	WILCOX DOOR SERVICE INC	FLEET AND FACILITIES
64087	SOLE	\$ 70,000.00	FLOTECH SERVICES NA LTD	FLEET AND FACILITIES
64811	SGLE	\$ 74,250.00	URBANTRANS NORTH AMERICA	TRANSIT
64771	SGLE	\$ 115,262.50	GLENTEL INC	TRANSIT