



CITY OF HAMILTON
COMMUNITY AND EMERGENCY SERVICES DEPARTMENT
Hamilton Fire Department

TO:	Chair and Members Emergency & Community Services Committee
COMMITTEE DATE:	February 23, 2015
SUBJECT/REPORT NO:	Hamilton Fire Department Clothing Items (CES15004) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Rob Simonds 905-546-2424 Ext. 3343 Shawn De Jager 905-546-2424 Ext. 3378
SUBMITTED BY:	Joe-Anne Priel General Manager Community and Emergency Services Department
SIGNATURE:	

RECOMMENDATION

- (a) That the Hamilton Fire Department be authorized to access the provisions of the Province of Ontario Ministry of Community Safety and Correctional Services Contract MIN-0058 attached as Appendix “A” to Report CES15004, to single source and negotiate with the Unisync Group Limited who is the successful vendor of Contract MIN-0058 for the Supply and Delivery of Uniform Dress Shirts; and,
- (b) That the Hamilton Fire Department be authorized to access the provisions of the Province of Ontario Ministry of Community Safety and Correctional Services Contract MIN-0058 attached as Appendix “A” to Report CES15004, to single source and negotiate with The Uniform Group Inc. who is the successful vendor of Contract MIN-0058 for the Supply and Delivery of Cargo Pants.

EXECUTIVE SUMMARY

Procurement Policy # 11 Non-competitive Procurements (single source) of the City’s Procurement By-law No. 13-317 under subsection 4.11 (1)(b) allows for “*single source for the supply of a particular Good and/or Service is being recommended because it is more cost effective or beneficial for the City (single source).*” In addition, subsection 4.11 (2) states that “*Council must approve any requests for negotiations with a single source as set out in subsection (1)(b) of this Policy # 11, where the value of the proposed procurement is \$250,000 or greater.*” As the estimated value of the total combined purchase exceeds \$250,000, the Hamilton Fire Department, in consultation with the Procurement Section of the Corporate Services Department, Financial Services Division, requires Council approval to single source and negotiate in order to leverage the benefits of the Province of Ontario Ministry of Community Safety and Correctional

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Services Contract MIN-0058 for the Supply and Delivery of Dress Uniform Shirts and Cargo Pants (attached as Appendix "A" to Report CES15004).

On July 14, 2014, the uniform clothing contract C3-01-09 for the Hamilton Fire Department expired. In early 2014, staff worked with the Procurement Section to release a request for proposal to replace the existing contract which ended in no successful proposals being received. The vendor on record declined to negotiate with the City as they indicated they were no longer in the business of providing custom fit uniform clothing items as required by the City.

In late 2014, the Province of Ontario Ministry of Community Safety and Correctional Services finalized its competitive procurement process to award its Contract MIN-0058 for the Supply and Delivery of Dress Uniform Shirts and Cargo Pants (Agreement). This Agreement allows any other Province of Ontario Police Service to access the provisions of the Agreement at their sole discretion on a voluntary basis; establishing their own contract directly with the Supplier. Historically, the Hamilton Police Service has leveraged this provision and financially benefited from the Agreement's cooperative purchasing ability. Recognizing this, it was identified in consultation with the City's Procurement Section that the Hamilton Fire Department could also benefit financially from leveraging this new Ministry Agreement and its collective purchasing ability. This is further supported by the fact that the clothing specifications outlined in the Ministry Agreement match the specifications and needs of the Hamilton Fire Department for cargo pants and uniform dress shirts.

However, without language in the Ministry Agreement extending the same privileges to Fire Departments, Council approval is required for the Hamilton Fire Department to leverage the financial benefits of this Agreement and single source and negotiate with the Ministry vendors on record as set out in the City's Procurement By-law No. 13-317 as a Policy # 11 – Non-competitive Procurement.

Upon completion of negotiations with the vendors on record, the Hamilton Fire Department intends this single source to be in effect for five (5) years with the total combined amount of funds to be spent over this period not exceeding \$450,000.

The Procurement Section has been significantly involved in this process and continues to support the Hamilton Fire Department in the process of retaining vendors to supply and deliver any clothing items not covered under the Ministry Agreement.

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: No impact, as funding is provided through existing capital and operating budgets.

Staffing: There are no staffing implications associated with Report CES15004.

Legal: There are no legal implications associated with Report CES15004.

HISTORICAL BACKGROUND

On July 14, 2014, the uniform clothing contract C3-01-09 for the Hamilton Fire Department expired. In early 2014, staff worked with the Procurement Section to release a request for proposal to replace the previous vendor which ended in no successful proposals being received. The previous supplier provided the majority of clothing items for the department which consisted of coats, dress uniforms, uniform accessories and station wear. Staff initiated a Policy # 11 contract extension with the previous vendor on record to ensure day-to-day operations would not be negatively impacted. However, the vendor on record declined to negotiate with the City as they indicated they were no longer in the business of providing custom fit uniform clothing items as required by the City.

As a result of this, a Policy # 10 Emergency Purchase was set up with the vendor who supplies the Hamilton Police Service with Uniform Dress Shirts and Cargo Pants. This was supported by the Procurement Section as the vendor on record with the Hamilton Police Service provided clothing items which matched the specifications and needs required by the Hamilton Fire Department.

In late 2014, the Ministry of Community Safety and Correctional Services finalized its competitive procurement process and awarded Contract MIN-0058 for the Supply and Delivery of Dress Uniform Shirts and Cargo Pants. This Agreement allows any other Province of Ontario Police Service to access the provisions of the Agreement at their sole discretion on a voluntary basis; establishing their own contract directly with the Supplier. Historically, the Hamilton Police Service has leveraged this provision and benefited financially from the Agreement's cooperative purchasing ability. Recognizing this, it was identified in consultation with the City's Procurement Section that the Hamilton Fire Department could also benefit financially from leveraging this new Ministry Contract and its collective purchasing ability. This is further supported by the fact that the clothing specifications outlined in the Ministry Contract match the specifications and needs of the Hamilton Fire Department for cargo pants and uniform dress shirts.

However, without language in the Ministry Agreement extending the same privileges to Fire Departments, Council approval is required for the Hamilton Fire Department to leverage the financial benefits of this Agreement and single source and negotiate with the Ministry vendors on record as set out in the City's Procurement By-law No. 13-317 as a Policy # 11 – Non-competitive Procurement.

The Procurement Section has been significantly involved in this process and continues to support the Hamilton Fire Department in the process of retaining vendors to supply and deliver any clothing items not covered under the Ministry Agreement.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Procurement Policy # 11 Non-competitive Procurements (single source) of the City's Procurement By-law No. 13-317 under subsection 4.11 (1)(b) allows for "*single source for the supply of a particular Good and/or Service is being recommended because it is more cost effective or beneficial for the City (single source).*" In addition, subsection 4.11 (2) states that "*Council must approve any requests for negotiations with a single source as set out in subsection (1)(b) of this Policy # 11, where the value of the proposed procurement is \$250,000 or greater.*" Therefore due to the estimated value exceeding \$250,000, Council approval is required.

RELEVANT CONSULTATION

Staff consulted with the Procurement Section of the Corporate Services Department, Financial Services Division; Hamilton Paramedic Service; Ontario Provincial Police; and Hamilton Police Service on the specifications of Province of Ontario Ministry of Community Safety and Correctional Services Contract MIN-0058 and the ability to negotiate with the Ministry's approved vendors.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

Since the clothing specifications outlined in the Ministry Contract MIN-0058 match those of the Hamilton Fire Department it would be financially beneficial for the Hamilton Fire Department to take advantage of its collective purchasing ability. For an example, in 2014 through the Policy 10 Emergency Purchase, the Hamilton Fire Department was spending approximately 20% more per cargo pant vs. the amount per the same cargo pant identified in the first term of Ministry Agreement. This approach was supported by the Procurement Section following Procurement Policy # 11 of the Procurement By-law No. 13-317.

ALTERNATIVES FOR CONSIDERATION

Staff could be directed to undertake a request for proposal for the uniform dress shirts and cargo pants. This alternative would further delay the delivery of needed clothing uniform items and potentially cost the Hamilton Fire Department more as it would be going out with a standalone contract.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Objective

1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

Strategic Objective

3.4 Enhance opportunities for administrative and operational efficiencies.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report CES15004: Province of Ontario, Ministry of Community Safety and Correctional Services Contract MIN-0058 for the Supply and Delivery of Dress Uniform Shirts and Cargo Pants