

INFORMATION REPORT

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| TO: | Chair and Members Audit, Finance and Administration Committee |
| COMMITTEE DATE: | September 12, 2016 |
| SUBJECT/REPORT NO: | 2016 Second Quarter Emergency and Non-Competitive Procurements Report (FCS16045(a)) (City Wide) |
| WARD(S) AFFECTED: | City Wide |
| PREPARED BY: | Maryanne Morris (905) 546-2424 Ext. 4346 |
| SUBMITTED BY: | Rick Male Director of Financial Services & Corporate Controller Corporate Services Department |
| SIGNATURE: | |

Council Direction:

Council has directed Procurement 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. The 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 2016.

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 “Emergency Procurement/Non-Competitive Procurement Form” is completed by the Client Department and approved by the General Manager.

During the second quarter of 2016, there were 89 purchases totalling \$4,522,065 which were processed through the use of approved Policy 10 or 11. These are summarized in Appendix “A” to Report FCS16045(a).

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The breakdown is as follows:

- 7 purchases totalling \$328,208 were issued under Policy 10, as “Emergency” purchases, whereby goods and services were acquired by the most expedient and economical means. The following purchase represents the largest dollar amount in this category:
 - Purchase Order 82327 for \$137,289 was issued to 1502701 Ontario Ltd. o/a Moffatt Equipment for labour, equipment and materials required for emergency work completed to enable tobogganing activities at the HD05R Garth reservoir. Implementation of a safe tobogganing program was approved by City Council on Dec 9, 2015 (Identified Tobogganing Locations on City Property for the Winter 2015/2016 Season (PW15086)) requiring signs and hay bales at the site. In addition to signs and hay bales, Plant Operations was required to undertake additional mitigation measures in order to minimize any further risk related to tobogganing activities.
- 7 purchases totalling \$476,803 represent short-term “Extensions” of current contracts which have expired and unforeseeable circumstances have caused a delay in awarding a new contract. The following purchases represent the largest dollar amount in this category:
 - Purchase Order 77906 for \$140,000 was issued to Servicemaster Contract Services for supply and delivery of janitorial services required at various facilities. The extension was required to provide sufficient time to complete the procurement process and award the new janitorial contract.
 - \$240,000 was issued to Merlo Electric Inc. for small electrical repair services. The extension was required to provide sufficient time to complete the procurement process and award the new small electrical repairs contract.
- 75 purchases totalling \$3,717,054 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 82516 for \$245,000 was issued to Rankin Construction Inc. (Rankin) for road and sidewalk rehabilitation work. In coordination with the Centre for Pavement & Transportation Technology and the University of Waterloo, a pilot project was undertaken to determine a new procedure for road restoration. There were a number of factors taken into consideration for the pilot, including choosing the right location for the pilot and choosing a vendor who could begin work with very short notice. Rankin was selected as the vendor for the pilot seeing as they had the previous experience to do the work and the capacity to complete the work within the tight timeframes.

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- Purchase Order 81818 for \$245,000 was issued to Cannon Design Ltd. (Cannon) for prime consulting services required at Tim Horton's Stadium. The consulting services were required in order to complete outstanding (priority) items remaining from the Pan Am Stadium Project necessary for the 2016 CFL season. Cannon was engaged to oversee the design, specifications and construction of all required elements and scope items, as well as, responsibility of and coordination of all aspects involving general contractors (including the mechanical & electrical consultant) and contract administration.
- Purchase Order 82446 for \$210,000 was issued to Webtech Wireless Inc. to provide Global Positioning Services/Automotive Vehicle Location (GPS/AVL). Interfleet Inc. was the approved City standard to provide GPS/AVL to Road Operations and Maintenance. Recently, Interfleet Inc. had undergone a legal name change from Interfleet Inc. to Webtech Wireless Inc. As such, Policy 11 approval was received in order to continue receiving GPS/AVL support from Webtech Wireless Inc.
- Purchase Order 82366 for \$180,000 was issued to Coreinternational Inc. to provide a detailed review of the organizational needs of the Public Works department. Coreinternational had completed the initial review of the Public Works department and was required to continue the review to include further detailed analysis, clarify expectations by interviewing staff and draft a communication plan, customized for City of Hamilton needs.
- Purchase Order 81819 for \$150,000 was issued to Vanderwesten Rutherford Mantecon Consulting Engineers (VRM) for mechanical and electrical consulting services required at Tim Horton's Stadium. The consulting services were required in order to complete outstanding (priority) items remaining from the Pan Am Stadium Project necessary for the 2016 CFL season. VRM was engaged to provide services specific to mechanical and electrical elements and scope items, including investigative work.
- Purchase Order 78307 for \$150,000 was issued to MacLennan Jaunkalns Miller Architects Ltd. (MJMA) for the preparation of design and contract documents, including contract administration, for a splash/ice pad at the Bernie Morelli Recreation Centre. MJMA was originally retained through a joint procurement with the Hamilton Wentworth District School Board under contract C11-89-14 - South PanAM Precinct, Prime Consultant Services for Proposed North Secondary School Site and the Bernie Morelli Recreation Centre. Subsequent to the award of the contract, the City received a donation of funds to be utilized for the construction of a splash/ice pad at the Bernie Morelli Recreation Centre. The contract with MJMA was extended to include the additional prime consultant services required to facilitate the splash/ice pad.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS16045(a) – 2016 Second Quarter Emergency and Non-Competitive Procurements Report

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