

# INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	April 09, 2018
<b>SUBJECT/REPORT NO:</b>	2017 Fourth Quarter Emergency and Non-competitive Procurements Report (FCS17011(c)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Cheryl Velenosi (905) 546-2424 Ext. 3988
<b>SUBMITTED BY:</b>	Rick Male Director, Financial Services, Taxation and Corporate Controller Finance and Corporate Services Department
<b>SIGNATURE:</b>	

## 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 fourth quarter 2017.

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 fourth quarter of 2017, there were 68 purchases totalling \$2,770,216 which were processed through the use of an approved Policy 10 or 11. These are summarized in Appendix “A” to Report FCS17011(c).

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*OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.*

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The breakdown is as follows:

- 4 purchases totalling \$187,886 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 86628 for \$72,933 was issued to 1502701 Ontario Ltd. o/a Moffatt Equipment for emergency pumping, cleaning of inlets and outlets, drainage improvements, pipe and manhole installation in various locations throughout the City affected by flooding due to extreme rainfall events and elevated lake levels. This is an addition to a Policy 10 previously approved and completed under the same purchase order number for \$854,080.53. The final amount of this purchase order is \$927,013.53.
- 6 purchases totalling \$310,800 represent short-term “Extensions” of current contracts which have expired and unforeseeable circumstances have caused a delay in awarding a new contract. The following purchase represents the largest dollar amount in this category:
  - Purchase Order 68116 for \$225,000 was issued to Bridgestone Canada Inc. for the leasing of tires for Hamilton’s Transit Section. This extension is to provide sufficient time to complete the procurement process and award the new contract without the disruption of services. The new contract is expected to be in place for the third quarter of 2018.
- 58 purchases totalling \$2,271,530 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 87334 for \$214,427 was issued to Xylem Water Solutions a division of Xylem Canada Company for interim capacity upgrades at the Binbrook Sewage Pumping Station. This vendor was chosen due to the consistency of equipment with the current system and the critical and time sensitive nature of commissioning the interim upgrades at the pumping station.
  - Purchase Order 87013 for \$196,000 was issued to Darkhorse Analytics Inc. for diagnostic analytical software and training for both the Hamilton Fire Department (Fire) and the Hamilton Paramedic Service (Paramedics). Fire and Paramedics required an analytic software solution that could be effectively utilized by both services while remaining responsive to the different service delivery models and providing resource effectiveness (relative to the capturing

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and sharing of data sets) and overall project cost savings. Darkhorse Emergency Services is a Canadian analytics software provider that has the capability of meeting the needs of both Fire and Paramedics. The purchase supports the decision-making of both the Fire Department's 10 year Fire Service Delivery Plan and the Paramedic Services Master Plan and provides for ongoing operational model testing.

- Purchase Order 74722 for \$189,112 was issued to GHD Limited for additional engineering services required for the Cormorant and Osprey (HC014) Wastewater Pumping Station Upgrades project. This expansion was due to unknown site conditions and discrepancies in supplier information which resulted in design changes and delays to the project schedule. The intent is to recover costs where applicable from the general contractor. GHD Limited engaged to oversee the project to completion to maintain project continuity and minimize extra costs.
- Purchase Order 87175 for \$149,995 was issued to Lynx Electrical for the installation of electrical conduit, conductor, transformer base, switchgear, including all trenching and cover material, backfill and reinstatement, within the Pier 4, 5, and 6 areas of the Hamilton West Harbour. This was unanticipated work requested by the Electrical Safety Authority (ESA), despite Alectra Utilities assurance there was sufficient power availability. The sub-contractor, Lynx Electrical has been carrying out the electrical work for the Marina Reconstruction Project and was chosen to ensure continuity and a timely completion.
- Purchase Order 86677 for \$141,202 was issued to Coco Paving Inc. for construction of a sanitary sewer to service 82 Parkside Drive in co-ordination with the road rehabilitation works project. Coco Paving Inc. was engaged under contract C15-41-17 (PED) to provide road rehabilitation services to Parkside Drive. The contract awarded to Coco Paving Inc. did not include sewer installation work at 82 Parkside Drive as the owner of the lands provided no firm commitment to proceed with sewer installation. Since the award of the contract, the owner of 82 Parkside Drive secured conditional site plan approval to construct a car wash facility and requested the City to co-ordinate the sewer installation. Coco Paving Inc. was requested to perform the additional work as they were already engaged under contract C15-41-17 (PED). The work was completed in accordance with the prices secured under the contract and payment for these additional services was provided by the owner of 82 Parkside Drive.

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- Purchase Order 86946 for \$119,225 was issued to Smiths Detection Montreal Inc. for hazardous materials detection equipment used to perform chemical analysis on various substances. Smiths Detection Montreal Inc. has developed the most advanced technology, to face potential threats and puts laboratory capability into the hands of emergency responders in the field. Equipment from Smiths Detection is trusted by Hamilton Fire Department and Hamilton Police Services after repeated use over a prolonged period. The Ontario Centre for Forensic Sciences Toronto has been providing the Hamilton Fire Department with on-going instruction on the use of Smiths Hazmat ID 360 for some time and agreed to continue to provide additional support to the Hamilton Fire Department free of charge.

### **Appendices and Schedules Attached**

Appendix "A" to Report FCS17011(c) – 2017 Fourth Quarter Emergency and Non-Competitive Procurements Report

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