

INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	September 10, 2018
SUBJECT/REPORT NO:	2018 Second Quarter Emergency and Non-competitive Procurements Report (FCS18038(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Cheryl Velenosi (905) 546-2424 Ext. 3988
SUBMITTED BY:	Rick Male Director, Financial Services, Taxation and Corporate Controller Finance and 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 2018.

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 2018, there were 78 purchases totalling \$4,712,158.68 which were processed through the use of an approved Policy 10 or 11. These are summarized in Appendix “A” to Report FCS18038(a).

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The breakdown is as follows:

- 6 purchases totalling \$1,328,777.65 were issued under Policy 10, as “Emergency” purchases, whereby goods and services were acquired by the most expedient and economical means. The following purchases represent the largest dollar amount in this category:
 - Purchase Order 88738 for \$950,000.00 was issued to Associated Paving and Materials Ltd. for Council approved emergency resurfacing roadwork in the form of ‘asphalt shave and pave’ on Main Street West between Cootes Drive and Macklin Avenue. This work was required due to significant road deterioration.
 - Purchase Order 87670 for \$180,220.72 was issued to Force 1 Security for continued mobilization and provision of additional interim security guard services for the City facilities managed by the Energy, Fleet and Facilities Management Division of Public Works (C11-08-15). Force 1 Security was hired to maintain security guard services without disruption and allow staff sufficient time to issue a new procurement process and award a new contract. The new contract is expected to be in place by third quarter 2018.
 - Purchase Order 88559 for \$109,263.53 was issued to Rankin Construction Inc. for emergency pothole repair work. This work was required due to significant road deterioration caused by extensive freeze/thaw cycles during the 2017 – 2018 winter season.
- 5 purchases totalling \$465,000.00 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 68116 for \$225,000.00 was issued to Bridgestone Canada Inc. for the leasing of tires for Hamilton’s Transit Section in accordance with the current contract (C11-07-12). This extension is to provide sufficient time to complete the procurement process and award a new contract without the disruption of services. The new contract is expected to be in place for the fourth quarter 2018.
 - Purchase Order 84115 for \$120,000.00 was issued to Barton Auto Parts Ltd. to provide various automotive parts required for repairs and maintenance of the City of Hamilton’s vehicles in accordance with the terms of the current contract (C12-04-12). This extension will provide sufficient time to complete the procurement process and award a new contract without disruption of services. The new contract is expected to be in place for the fourth quarter 2018.

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- 67 purchases totalling \$2,918,381.03 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 82636 for \$167,129.55 was issued to Ainley & Associates Ltd. for the expansion of Contract C11-04-16 - Binbrook (HC058) Wastewater Pumping Station Ultimate Capacity Upgrades to provide additional engineering efforts required to coordinate the interim design/construction activities. The complexity of the project resulted in the need to increase site inspection efforts from the currently scoped 480 hours up to 1400 hours for a net increase of 920 hours and to increase contact administration. The Ultimate Capacity Upgrades must be completed by June 2019 to keep the critical project timelines on schedule as required by the development community. It is in the best interest of the City to have Ainley & Associates continue to provide additional engineering and consulting services for the remainder of the Project both for continuity and for minimizing additional costs.
 - Purchase Order 86019 for \$155,000.00 was issued to Cambridge Landscaping & Construction Ltd. for construction service to complete C15-19-17(P) William Connell City Wide Park (Part B) Trail Works. The dollar amount for the Phase 1, Park Development and Stormwater Management Facilities Work, portion of this contract exceeded the City’s budget and so provisional items and associated costs related to the construction of Part B were removed from the contract with Council approving additional funding to continue this work. Given that Cambridge Landscaping & Construction Ltd. was awarded the Contract and are currently on site it was recommended to award the same contractor to continue the work both for continuity and to not incur additional expense.
 - Purchase Order 89122 for \$150,000.00 was issued to Sonic Unyon Records Ltd. to supply and deliver Canada Day Celebration 2018 at Bayfront Park. Sonic Unyon Records Ltd. was chosen because of an existing partnership with the City of Hamilton’s Revenue Generation. The work of this partnership has generated considerable revenues for the City. Sonic Unyon Records Ltd. production of the Canada Day 2018 Celebrations has created an economical turnkey solution for future City of Hamilton events.
 - Purchase Order 84131 for \$150,000.00 was issued to Archaeological Research Associates Ltd. for Stage 4 Archeological Assessment and Engagement of First Nations Communities. Archaeological Research Associates Ltd. was retained from the Consulting Roster (C12-07-14) Category 18 Archeology to provide a Stage 3 Archaeological Assessment for Ancaster Cultural and Arts Centre. As the Stage 3 is close to completion, Archaeological Research Associates Ltd. has now identified

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that a Stage 4 excavation is required in accordance with the Ontario Heritage Act by the Ministry of Heritage Tourism and Sport. This excavation is due to many factors, including the presence of intact topsoil layers in some of the units, below some of the areas of disturbance as well as the quantity and quality of artifacts and the presence of several Euro-Canadian features from previous structures. It is anticipated the Stage 4 will consist primarily of mechanical topsoil removal with feature excavation. The engagement of Three First Nation Communities by Archaeological Research Associates Ltd. is also included for this Stage 4 assessment. Archaeological Research Associates Ltd. was chosen to proceed with the Stage 4 excavation work due to the continuity of information, familiarity with the site and the work that was done on the first three assessments.

- Purchase Order 88897 for \$144,465.00 was issued to SNC Lavalin Inc. for the supply and delivery of the Central Park Remedial Action Plan, risk assessment and risk management measures under the City of Hamilton Contract #A-01-18 to prepare the remedial action plan for the clean-up of the Central Park site for future development. SNC Lavalin Inc. was retained as they previously worked with the Ministry of the Environment, Conservation and Parks to carry out environmental assessments on Phase 1 and Phase 2 of this Project, making SNC Lavalin Inc. best suited to continue the work for continuity and to not incur additional expense.
- Purchase Order 88574 for \$100,000.00 was issued to Metrolinx for the repair of damaged PRESTO equipment. Metrolinx is the only supplier of all spare parts of PRESTO equipment.

Appendices and Schedules Attached

Appendix “A” to Report FCS18038(a) - Second Quarter Emergency and Non-Competitive Procurements Report

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