



Hamilton

INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	October 3, 2019
SUBJECT/REPORT NO:	2019 Second Quarter Emergency and Non-competitive Procurements Report (FCS19042(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Patricia Vasquez (905) 546-2424 Ext. 5972
SUBMITTED BY:	Rick Male Director, Financial Services and Taxation & 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 of 2019.

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 2019, there were 101 purchases totalling \$4,742,347.43 which were processed through the use of an approved Policy 10 or 11. These are summarized in Appendix “A” to Report FCS19042(a).

OUR Vision: To be the best place to raise a child and age successfully.

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

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**SUBJECT: 2019 Second Quarter Emergency and Non-competitive Procurements
Report (FCS19042(a)) (City Wide) - Page 2 of 4**

The breakdown are as follows:

- 5 purchases totalling \$451,544.55 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 91825 for \$392,339.86 was issued to Wesroc Construction Limited. This emergency resulted from a leak on a critical 1200mm watermain near the High Lift Pumping Station at the Woodward Drinking Water Plant. Wesroc Construction was authorized to perform emergency works to repair the 1200mm watermain. It was important to schedule and coordinate this work to occur between the shutdowns of Kenilworth and Greenhill pumping stations. Works included coordinating locations, excavation, installation of a by-pass line, replacement of leaking flanges and line repair.

- 17 purchases totalling \$943,778.94 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 amounts in this category:
 - \$395,000.00 was issued to Kemira Water Solutions Canada Inc. for the following work:
 - Purchase Order 88819 for \$280,000.00 was issued to supply and deliver ferric sulfate, sodium bisulphite and sodium hypochlorite for the treatment/production of potable water and the treatment of municipal wastewater. This extension is required to provide sufficient time to complete the procurement process and award a new contract.
 - Purchase Order 88818 for \$115,000.00 was issued to supply and deliver poly aluminum chloride for the treatment/production of potable. A continues supply of poly aluminum chloride is critical to treat/produce potable water. This extension is required to provide sufficient time to complete the procurement process and award a new contract.
 - Purchase Order 68116 for \$230,000.00 was issued to Bridgestone Canada Inc. for leasing tires for transit section. A report regarding lease vs. buy was completed and it was determined that more information is required before proceeding with a tender. This extension is required to provide sufficient time to complete the procurement process and award a new contract.

SUBJECT: 2019 Second Quarter Emergency and Non-competitive Procurements Report (FCS19042(a)) (City Wide) - Page 3 of 4

- Purchase Order 91483 for \$100,000.00 was issued to 1984080 Ontario Inc. / Carstar for provision of vehicle collision repair services as required. The decision has been made to transfer control of the contract from Risk Management to Fleet Services given that Fleet Services is more appropriate entity to evaluate vendor performance. Saving is realized with the extension of current contract (C12-17-12) as pricing is favourable comparing to industry standards. As a result, this extension is required to provide sufficient time to complete the procurement process and award a new contract.
- 78 purchases totalling \$3,347,023.94 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 amounts in this category:
 - Purchase Order 91714 for \$168,000.00 was issued to Pestalto Environmental Health Services to provide Mosquito Larvae Abatement Services for the control of West Nile Virus and other Potential Mosquito Borne Diseases (Larvicide in City Catch Basins and Surface Waters). The existing vendor defaulted on the Contract which resulted in having an alternate vendor provide the required services.
 - Purchase Order 91827 for \$150,000.00 was issued to Mississauga Bus Coach and Truck Repairs Inc. for the supply and delivery of Voith rebuilt transmissions being the only certified warranty repair facility for Voith. Services are required given that the age and the standard lifecycle of the transmissions has been reached,
 - Purchase Order 92030 for \$150,000.00 was issued to North Lake Design Lab to provide AMANDA professional and technical services including consulting, development, programming and support services to the AMANDA system, in order to complete Planning and Economic Developments departmental 2019 priority projects.
 - Purchase Order 90079 issued to AECOM Canada Ltd. was increased by \$129,145.00 for additional engineering services including the investigation, design, contract administration for the replacement of the concrete roof and HVAC on the four access houses for the underground galleries at Woodward Avenue Wastewater Treatment Plant. The original purchase order was issued to the vendor as a Roster assignment under C12-07-16.
 - Purchase Order 77309 issued to Invizij Architects Inc. was increased by \$120,000.00 due to added architectural scope redesign upon discovering unforeseen asbestos and a complete redesign of the mechanical systems for the Provincial Offences Administration Office building.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS19042(a) – First Quarter Emergency and Non-Competitive Procurements Report

PV/dw