



Hamilton

INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	December 05, 2019
SUBJECT/REPORT NO:	2019 Third Quarter Emergency and Non-competitive Procurements Report (FCS19042(b)) (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 third 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 third quarter of 2019, there were 119 purchases totalling \$6,377,519.70 and 1 totalling \$2,000 in revenue, which were processed through the use of an approved Policy 10 or 11. These are summarized in Appendix “A” to Report FCS19042(b).

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.

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The breakdown are as follows:

- 6 purchases totalling \$1,171,392.91 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 92557 for \$753,025.00 was issued to Moffatt Equipment to perform emergency works throughout the City including maintaining and running four emergency pumps 24 hours a day, cleaning of inlets/outlets and drainage channel improvements in various locations affected by the extreme rainfall events and elevated lake levels.
 - Purchase Order 92495 for \$236,748.77 was issued to Wessuc Inc. to perform emergency works along Beach Boulevard as a result of extreme wet weather and elevated lake level conditions. Works included vacuum truck services at various sewage pumping stations where the station pumps could not keep up with the incoming flows.
- 44 purchases totalling \$1,450,600.96 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:
 - Purchase Order 68116 was increased by \$550,000.00 to Bridgestone Canada Inc. for the leasing of tires for Hamilton Transit. A report regarding lease versus buy was completed and it was determined that more information is required before proceeding with a tender. An extension to the current contract will provide the time required for a consultant’s report to be completed and an updated recommendation on lease versus buy to be presented to Council.
 - Purchase Order 91659 was increased by \$326,931.60 to Hamilton Cab Company Inc. to provide shared-ride taxi services. The three-month extension will include the introduction of off-peak Transcab service in Red Hill Business Park and replacing the existing scheduled shuttle services. The RFT and in-house bid preparation will be completed by late Fall allowing for the award of a new contract to commence January 1, 2020.
 - Purchase Order 92467 was increased by \$50,000.00 to Garda Canada Security Corporation to provide and perform security services to the Hamilton Public Library. This extension is required to provide sufficient time to complete the procurement process and award a new contract.

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- \$120,000.00 was issued to Kemira Water Solutions Canada Inc. for the following work:
 - Purchase Order 88819 was increased by \$70,000.00 for the supply and delivery of 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 was increased by \$50,000.00 for the supply and delivery of poly aluminum chloride for the treatment/production of potable water. This extension is required to provide sufficient time to complete the procurement process and award a new contract.
- Purchase Order 91483 issued to 1984080 Ontario Inc. / Carstar for provision of vehicle collision repair services was increased by \$100,000.00. The contract was previously extended to accommodate significant changes including the division of light and heavy duty vehicles as well as the contract lead changing from Risk Management Services to Fleet Services. As a result, this extension is required to provide sufficient time to complete the procurement process and award a new contract.
- 69 purchases totalling \$3,755,525.83 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 92663 for \$248,820.00 was issued to Work Equipment Ltd. to supply and deliver two Trackless MT57s with rear mounted single agitator and dual tire options. The City currently has five other existing units with a full compliment of basic and specialty attachments that can be used by purchasing the same model. The City has completed multiple demos, but no other manufacturer was able to hook up and operate all the attachments without major modifications. Standardizing would allow the machines to be used in any district with any attachments as required and without having to retrain staff.
 - Purchase Order 92181 for \$200,000.00 was issued to Fisher Heating Inc. to provide inspection and certification services to various diesel storage locations and perform necessary repairs to bring the emergency diesel generators into TSSA compliance and be allowed refuelling. There is a lack of qualified OBT1 service providers to perform the work and several major companies do not have the qualified personnel.

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- Purchase Order 92432 for \$168,463.98 was issued to Dell Canada Inc. to supply and deliver Dell Compellent Storage Solution. The Hamilton Police Technological Crime Unit is responsible for the acquisition and storage of digital evidence. The current storage life has come to end, and replacement is required to save digital evidence.
- Purchase Order 92408 for \$165,901.92 was issued to Zoll Medical Canada Inc. to supply and deliver extended warranty for Hamilton Paramedic Services Zoll X series defibrillators monitors until July 2022 beyond manufacturer's warranty.
- Purchase Order 88281, issued to Cycom Canada Corporation to supply and deliver ergonomic sit/stand workstations equipment to the City of Hamilton, was increased by \$150,000.00. The increase will allow the continuation of providing equipment to employees who have suffered work-related and non-work related injuries.
- Purchase Order 92125 for \$135,000.00 was issued to Metrolinx for the cost of parts in repairing damaged PRESTO equipment (parts cost only). Metrolinx is the only supplier of PRESTO equipment spare parts.
- Purchase Order 92684 for \$135,000.00 was issued to IBI Group Professional Services Canada Inc. (IBI Group) to prepare business case documents to support the City's Investing in Canada Infrastructure Program, The Maintenance and Storage Facility Project, Fleet Replacement Project and the Fleet Expansion Project. IBI Group has extensive knowledge of the MSF and Fleet requirements.
- Purchase Order 92284 for \$120,000.00 was issued to eSolutions Group Ltd. for the supply and delivery of a marketing and communications strategy and tactics for the for Fats, Oils and Grease Outreach Campaign to maintain the same look and feeling as the Own Your Throne campaign.
- Purchase Order 78030 was increased by \$102,108.86 to Long View Systems Inc. for the provision of Cisco Hardware required for the operation of the call centre application as well as maintenance of the cloud version of WebEx video conferencing. The decision to extend the existing agreement was based on negotiated savings of approximately \$600,000 over the term of agreement.
- Purchase Order 92124 for \$100,000.00 was issued to Thales Canada Transportation Solutions for the cost of labour charges resulting in the repairs of damaged PRESTO equipment (labour cost only).

APPENDICES AND SCHEDULES ATTACHED

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

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