



# INFORMATION REPORT

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	September 08, 2022
<b>SUBJECT/REPORT NO:</b>	2022 Second Quarter Emergency and Non-competitive Procurements Report (FCS22046(a)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Patricia Vasquez (905) 546-2424 Ext. 5972
<b>SUBMITTED BY:</b>	Shelley Hesmer Acting Director, Financial Services and Taxation Corporate Services
<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 second quarter of 2022.

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.

Committee and Council are advised that procurements made under a Policy 10 due to COVID-19 have not been reported in this quarterly report. All COVID-19 related procurements will be reported separately by staff.

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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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During the second quarter of 2022, there were 94 purchases totalling \$6,863,155.81 and 1 contract totalling \$58,713.32 in revenue, which were processed through the use of an approved Policy 10 or 11. These are summarized in Appendix “A” to Report FCS22046(a).

The breakdown are as follows:

- 16 purchases totalling \$1,285,062.40 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 99938 for \$310,000.00 and purchase order 99450 for \$239,000.00 was issued to Nerva Energy Group Inc. for the installation of in-duct air purification systems at City Hall, Lister Block, Provincial Offences Courthouse, Red Hill Family Centre City, Macassa Lodge and Wentworth Lodge. The City’s Emergency Operations Center had approved the purchases to address an increased focus on indoor air quality at these identified high-risk buildings as a result of the COVID-19 pandemic. Funding for these purchases were received by the Investing in Canada Infrastructure Program Resilient funding and by the Ministry of Health and Long-Term Care for the Lodges.
  - Purchase Order 99456 for \$395,177.61 was issued to Olin Canada ULC for the supply and delivery of liquid chlorine in watercare grade railway tank cars. A Request for Tender was issued but no bids were received. This Policy 10 was required in order to receive a continuous supply of chlorine while staff received approval to negotiate a single sourced contract for regular supply.
- 22 purchases totalling \$1,574,872.99 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 Orders 99246 for \$360,000.00 and 99660 for \$117,400.00 were issued to Super Shine Janitorial Services Ltd. for the supply and delivery of janitorial services at various facilities. The extension was required in order to pay for outstanding and final invoices.
  - Purchase Orders 86805 for \$136,577.00 and 99554 for \$70,000.00 was issued to Power Property Contracting Inc. for property maintenance services at various facilities. A new Request for Proposal was issued and is currently under evaluation. This extension was required to maintain services and provide sufficient time to complete the procurement process and award a new contract.

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- Purchase Order 100013 for \$146,160.00 was issued to Homewood Health Inc. for the Employee and Family Assistance Program. The additional six-month extension was approved by Council in order to maintain services and provide sufficient time to complete the procurement process and award of a new contract in place for January 1, 2023.
- Purchase Order 94489 for \$137,231.27 was issued to Star Security Inc. for event security services at Tim Horton's Field. The extension to November 30, 2021 was required in order to pay for outstanding and final invoices for services prior to November 30, 2021.
- 56 purchases totalling \$4,003,220.42 and 1 contract totalling \$58,713.32 in revenue 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 99345 for \$249,990.00 was issued to Coco Paving Inc. for scaling and repairs to the Bridge 282 - Longwood Road over Highway 403. The City received a Ministry of Transportation Encroachment Permit to complete the required additional bridge work which was integral to the overall construction contract that was originally awarded to Coco Paving Inc.
  - Purchase Orders 99696 for \$249,900.00 was issued to QM LP o/a QM Environmental for specialized emergency response services including spill incidents, accidents, and environmental cleanup on a 24/7 basis. Due to client department staff changes, there were delays in the development of the specifications and issuance of a new Request for Prequalification and subsequent Request for Tenders, as a result, a price increase of 2% to the current contract was required in order to maintain services.
  - Purchase Order 99795 for \$248,898.00 was issued to Mack Sales & Service of Stoney Creek Ltd. o/a Vision Truck Group for the supply and delivery of a tri-axle dump truck to replace an existing unit which will no longer be a compliant truck under the Safe, Productive and Infrastructure-Friendly Regulation as of December 31, 2022. This will ensure that a new truck is in operation and the City's fleet remains compliant with ministry regulations.
  - Purchase Order 99536 for \$248,888.50 was issued to Wood Environment & Infrastructure Solutions, a Division of Wood Canada Ltd. (Wood Environment) for an environmental assessment and preliminary design services. The Ministry of Transportation required supplementary work to facilitate the construction of the Mohawk Road on-Ramp to Highway 403. It was in the best interest of the City to

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have Wood Environment complete the additional scope given they led the original study and had the expertise and thorough knowledge of the issues.

- Purchase Order 99716 for \$240,000.00 was issued to Mar-Co Clay Products Inc. (Mar-Co) for ball diamond restoration and maintenance planning services. These services fall within a niche market to which there are very few vendors that can provide the service. Since 2018, the City has done competitive procurements and have been unsuccessful in securing a vendor other than Mar-Co. It is the intention to prepare a report to Committee and Council in Q4 2022/Q1 2023 for the request to standardize Mar-Co for future goods and services as required.
- Purchase Order 99642 for \$230,952.00 was issued to Associated Paving & Materials Ltd. (Associated) for asphalt and concrete repairs and resurfacing at the Carlisle Arena parking lot. The additional scope of work was not included in the original contract award, however, it was for the same type of work Associated was already performing.
- Purchase Order 92201 for \$219,900.00 was issued to Dillon Consulting Ltd. (Dillon) for unforeseen additional design changes of the East-West Road Corridor in Waterdown due to flooding concerns and as required by Halton Conservation Authority and Indigenous Nations. It was in the best interest of the City to have Dillon complete the additional scope given they were involved in the initial design.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report FCS22046(a) – Second Quarter Emergency and Non-Competitive Procurements Report.

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