
HALDIMAND COUNTY

Report LSS-12-2020 Purchasing Activity January to June 2020

For Consideration by Council in Committee on October 27, 2020



OBJECTIVE:

To report purchases of \$75,000 or greater for the period of January 1, 2020 to June 30, 2020 in accordance with the provisions of the Procurement Policy No. 2013-02.

RECOMMENDATIONS:

THAT Report LSS-12-2020 Purchasing Activity January to June 2020, be received as information.

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Respectfully submitted: Cathy Case, General Manager of Corporate & Social Services

Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

As a requirement of Procurement Policy No. 2013-02, purchasing activity undertaken in a calendar year through the delegated authority provisions will be reported for information purposes, on a semi-annual basis, in order to keep Council and the public informed. This report presents the purchasing activity over the first six months of 2020 for bids awarded that were \$75,000 or greater.

BACKGROUND:

Council has provided delegated authority to staff for the initiation and completion of most procurement processes, including authority to award contracts for goods, services and construction through the approval of annual budgets. Staff throughout all departments have the responsibility to report such activity through the issuance of purchase orders, which are monitored by purchasing staff in the Legal and Support Services Division for compliance to corporate direction and procurement legislation, and to enable public reporting.

Additionally, this public process meets the County's legal requirement to report County procurement activity as required by the Canadian Free Trade Agreement (CFTA) and the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).

ANALYSIS:

Attachment # 1 is a table outlining the reported purchasing activity from January 1, 2020 to June 30, 2020, which includes transactions that are \$75,000 or greater. Attachment # 1 also includes: bid number and name; closing date; number of bids received; successful bidder; contract price including net taxes; and the contract term.

Staff exercise due diligence in an attempt to obtain at least three (3) competitive bids for each bid document through the following processes: posting bid opportunity advertisements on the County website and social media to notify vendors of upcoming bidding opportunities; an electronic copy of the bid document is available via the County website for vendors to view and download; and potential vendors are notified of applicable bidding opportunities by staff and consultants.

In April 2020, in response to COVID, Purchasing staff enabled functionality on the bid opportunities website to allow vendors to submit their bids electronically; thereby removing the requirement for vendors to drive to Cayuga to submit bids in person, by courier or postal service. Additionally, all submitted tender pricing is available within seconds of the bid closing by viewing the website. Historically, vendors had to wait on site for the public bid opening process and subsequent posting of the bid results on the website. This new format which was always intended to be implemented but fast-tracked to respond to the new challenges the pandemic has brought has provided greater transparency of the purchasing process and allowed for greater efficiencies for the public and staff. Since this transition, Haldimand is seeing an uptake in the exposure of the bid documents; while continuing to encourage our local vendors to continue bidding on Haldimand County projects.

Multi-year contracts:

Multi-year contracts are for a term of one (1) year, but not more than ten (10) years as permitted by the Procurement Policy. They are executed in an effort to lock in pricing for a longer period of time, attain higher discounts from vendors, safeguard against price volatility, maintain continuity of service where beneficial to do so and save time, effort and resources. Multi-year contracts take annual budgets into consideration and where applicable, on-going or long-term needs.

Multi-year contracts can also be implemented utilizing a defined term with options for renewals based upon the same considerations as noted above. This is more common for annual maintenance type needs such as grass cutting.

Attachment #1 includes several multi-year contracts with the annual expenditures noted in the 'Cost including Net Taxes' column and the length of contract in the 'Contract Term' column.

Cooperative bids:

As permitted in the Procurement Policy, Haldimand may opt to participate in cooperative purchasing initiatives which "provide economies of scale and is deemed beneficial to the County". The Local Authority Services (LAS) is a provider of competitively-priced and sustainable cooperative business opportunities for Ontario municipalities under the umbrella of the Association of Municipalities of Ontario (AMO) structure. LAS issued a competitive process to source and prequalify vendors for the provision of LED lighting solutions for all public facilities. Under this cooperative opportunity, the County utilized the services of Conrad Lighting Solutions to complete LED lighting works at the Dunnville Arena, the Dunnville Multi-Purpose Building and the Cayuga Arena as itemized on Attachment #1.

Multiple specification bids:

As shown on Attachment #1, the Fleet division was seeking bids for the supply and delivery of five crew cab pickups as well as two 4x4 standard cab pickups (FLE-02-2020). Although they are separate and unique specifications for each pickup type, combining into a single competitive tender provides efficiencies in the bid preparation and for the vendor to submit their pricing. In this particular case, there were seven submissions with the crew cab pickups awarded to Mohawk Ford Sales and the 4x4 standard cab pickups awarded to Ridgehill Ford Sales. Each of these bidders provided the lowest compliant bid for the pickup types.

Provisional purchase:

The Procurement Policy No. 2013-02 enables staff to seek competitive bids prior to the adoption of an approved budget, providing the tender specifically states that award of the item is subject to receipt of Council approval.

FLE-07-2020 was issued seeking the Supply and Delivery of Three Sport Utility Vehicles and included a provisional statement seeking the price for a fourth vehicle. The purchase of the three vehicles had been approved as part of the 2020 capital budget approval process. During the development of the tender, Fleet staff were notified that a report was being presented to Council for the approval of an additional Building & Municipal Enforcement Services staff member, which included the requirement for the purchase of a vehicle of the same specifications as included in the Fleet tender. With this understanding, the tender was issued for the three sport utility vehicles and included the provisional item to allow the purchase of a fourth vehicle pending approval of the new position by Council. Subsequently, four vehicles were purchased at a unit price of \$27,060.70 plus applicable taxes based upon Council approval.

FINANCIAL/LEGAL IMPLICATIONS:

Staff are responsible to ensure the purchase is within the Council approved expenditure levels.

STAKEHOLDER IMPACTS:

Each Division Manager is responsible for ensuring that the provisions of the Procurement Policy No. 2013-02 are adhered to, including the provision of details for all purchasing activity outlined in this report.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. Purchasing Activity for January 1, 2020 to June 30, 2020