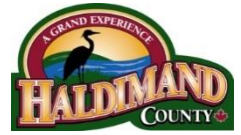

HALDIMAND COUNTY

Report CS-SS-14-2018 Purchasing Activity July to December 2017

For Consideration by Council in Committee on May 15, 2018



OBJECTIVE:

To report purchases of \$75,000 or greater for the period of July 1 to December 31, 2017, in accordance with the provisions of the Procurement Policy No. 2013-02.

RECOMMENDATIONS:

1. THAT Report CS-SS-14-2018 Purchasing Activity July to December 2017 be received as information.

Prepared by: Jason Wallace, Purchasing Coordinator

Reviewed by: Cathy Case, Manager of Support Services

Respectfully submitted: Karen General, CPA, CGA, General Manager of Corporate Services

Approved: Don G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

As a requirement of Procurement Policy 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 last six months of 2017 for those individual transactions that were \$75,000 or greater.

BACKGROUND:

Council has provided the 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 to the Support Services Division in order that the information can be compiled for public reporting.

ANALYSIS:

Attachment #1 is a table outlining the reported purchasing activity from July to December 2017, which includes individual transactions that are \$75,000 or greater and contract renewals that exceed \$75,000 over the term of the contract. Attachment #1 includes: bid number and name; closing date; number of bids received; successful bidder(s); contract pricing including net taxes; and the contract term.

Notable Purchases

The following provides an explanation of notable purchases outlined in Attachment #1.

- CMS-ES-01-2016 – Self-Contained Breathing Apparatus (SCBA) Equipment was ordered in 2016 and received in 2017. The purchase was not reported until 2017.
- CMS-FP-04-2017 – Hagersville Arena Energy Upgrade was issued in June 2017 seeking plumbing and electrical services combined. No bids were received. After consultation, the project was divided into two smaller components with the Division subsequently securing the necessary contractors to have the work completed through the “direct purchase” method.
- PW-RO-17-006 – Supply of High Performance Emulsified Patching Material (Cold Mix) was initially awarded to Innovative Building Products Inc. for all four (4) Roads Operations Yards at a price per tonne rate. Following material testing, the low bidder could not comply with the County’s requirements and the bid was subsequently awarded to the next low bidder, Coco Paving Inc. Quantities in 2017 were anticipated to be approximately 750 tonnes between the various Roads Operations Yards.

Renewals

There are two (2) contracts in this report that included terms and conditions with renewal options. These include Roadside Mowing and Maintenance Tree Trimming and Removal. Inclusion of these renewal terms typically provide for better pricing and service from the vendor for the following reasons: provide some financial stability for the supplier; apply equipment lifecycle costing over multiple years; and reduced workload associated with competitive bid processes on an annual basis. A summary of these renewals is as follows:

- PW-RO-15-007 – Roadside Mowing was extended for the 2017/2018 grass cutting season as permitted within the contract based on the Consumer Price Index. Contract renewals were awarded in four (4) district areas, with the following results:
 - County Line Custom Farming Inc. – Two (2) district areas
 - Griffin Management Landscape Solutions – Two (2) district areas
- PW-RO-16-014 – Maintenance Tree Trimming and Removal was renewed for the term of May 1, 2017 – April 30, 2018 as permitted within the contract with renewed rates based on the Consumer Price Index. A one (1) year optional contract renewal remains for 2018/ 2019. Contract renewals were awarded in five (5) areas, with the following results:
 - McKay’s Tree Services – One (1) area
 - Ontario Line Clearing & Tree Experts Inc. – Four (4) areas

As part of the public procurement process, Support Services staff monitor the purchasing activity of all Divisions for compliance to the Procurement Policy and in keeping with various trade treaties and procurement law. In the second quarter of 2017, there were 21 bids awarded or contracts extended without the formal bid award approval required under the Policy. This non-compliance has been communicated to the applicable Division’s management for further handling. Future bid awards will continue to be monitored to ensure compliance with Policy.

FINANCIAL/LEGAL IMPLICATIONS:

Finance staff review each Bid Award Form to ensure the purchase is within the Council-approved expenditure level.

STAKEHOLDER IMPACTS:

Each Division Manager is responsible to ensure that the provisions of 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 July to December 2017