



A Natural Attraction

**STAFF REPORT
22-054CFS**

DATE: May 4th, 2022

TO: Karen Sharpe, Chair
Members of the Corporate & Financial Services Committee

FROM: Melanie Maser, Purchasing Coordinator
Caleb DenOuden, Director of Finance

SUBJECT: Non-Standard Procurement - 2022 Report 1

RECOMMENDATION:

That Committee received the Non-Standard Procurement - 2022 Report 1 as presented for information.

BACKGROUND:

When spending City funds, those delegated authority to do so must refer to the City's Purchasing policy By-law and associated schedules (21-073) established to ensure that the City obtains the best value in goods and services at the most economical cost and in a fair, open and transparent manner. When standard procedures are not seen as advantageous or possible, approval must be obtained in accordance with the dollar thresholds and approval hierarchy established in the Purchasing Policy. This report is presented to keep the Committee up to date with regard to the details surrounding each expenditure when a non-standard process was utilized.

This report is limited to details of non-standard purchases where the vendor is not included in a pre-approved 'blanket' list. For those related to a pre-approved blanket list, a condensed summary showing only dollars spent has been provided. Detailed supporting documentation can be provided upon request.

The purchasing policy was updated and approved June 2021. The purchasing policy also provides for utilization of the Heavy Equipment call-out list established

through an RFPQ up to a maximum of \$100,000 per project. Those items are also reported herein.

This report covers transactions for the first quarter of 2022 .

EXISTING POLICY/BY-LAW:

By-Law # 21-073 being a By-Law to Adopt A Purchasing Policy for the City of Quinte West

Except from Purchasing Policy By-law # 21-073 for reference:

13. NON-STANDARD PURCHASES

13.1 When a Department Head or their designate intends to select a supplier to provide goods, services, or construction pursuant to this section, the process to be followed is dictated by the amount of the spend. In all cases, the report (either staff report to committee or single/sole source form) will include the compelling rationale that warrants a non-competitive selection. Valid exemptions are as provided herein (Sch. "A" - Section 13.2 and 13.3)

Approval to initiate a single or sole source procurement must be given PRIOR TO deviation from this policy. In the event that Council and/or committee are at recess, the Chief Administrative Officer is authorized to act on their behalf.

In the event that a project has direct relevance to a previous project, it must be determined if the previous supplier has a clear advantage in bidding on the next phase. The department head in consultation with the Mgr. of Purchasing & Risk Management may declare that a formal competition is not appropriate, and they would proceed under the terms of a "single" source project providing appropriate backup material.

Thresholds:

- **\$10,000. - \$40,000.** – requires completion of a single/sole source form (Appendix A) signed by the Director of the user department must accompany the invoice when submitted to finance for payment.
- **\$40,001. - \$75,000.** – requires completion of a single/sole source form (Appendix A) signed by the Director of the user department and the CAO. The form must accompany the invoice when submitted to finance for payment.
- **\$75,001+** - requires Council approval, either direct or through approval of Committee minutes. A detailed staff report is to be prepared utilizing the City's standard Staff Report template for single/sole purchases. Prior to presentation to

Committee/Council, a copy of the report must be provided to the Manager of Purchasing & Risk or their designate for circulation, comment, and acknowledgment within the Finance Dept. If the application to single/sole source is successful, a copy of the Committee Report and Council minutes where the Committee Report was approved must be included in the Invoice Payment Package when submitted for payment.

13.2 SINGLE Sourcing – The procurement of a good or service from a particular vendor rather than through the solicitation of bids from other vendors who can provide the same or equivalent item.

Purchases may be made from a Single source without quotation or competitive process where:

- a) Due to market conditions goods are in short supply. Evidence of failed attempts at sourcing must be provided.
- b) The compatibility of a purchase with existing equipment, facilities, or services is of paramount consideration and that purchase must be made from a Single source.
- c) An item or service is purchased for testing or trial use.
- d) The City purchases supplies for resale.
- e) A product is leased or rented by the City with or without a credit purchase option, and such purchase option would be beneficial to the City.
- f) The consideration for a purchase is to be paid by a third party and that third party agrees to or designates the contractor.
- g) A situation creates immediate and serious need, which may not be reasonably met by any other procedure.
- h) Lack of supplies or services may adversely affect the functioning of the City, threaten public or private property or the environment, or jeopardize the health or safety of the public.
- i) It is necessary to arrange interim contractual arrangements following the expiration or breach of a contract, or the receipt of unacceptable or non-competitive bids.
- j) When no bids are received in a competitive process and timelines or circumstances are not conducive to review and reissue of the bid document.
- k) The extension of an existing Contract would prove more cost-effective or beneficial. The existing contract must be identified.
- l) The procurement is for additional deliveries by the original supplier of goods or services that were not included in the initial procurement if a change of supplier for such additional goods or services cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement and would cause significant inconvenience or substantial duplication of costs for the city.

m) Software (annual renewal) may be authorized by the department director without a formal procedure if the annual increase on renewed items is less than 5% from the previous year. All Software licences must be reviewed every five (5) years with a report to Committee to justify a change or continue with the current vendor.

13.3 SOLE Sourcing – The procurement of a good or service that is unique to a particular vendor and cannot be obtained from another source.

Purchases may be made from a Sole source without quotation or competitive process where:

a) There is only one source of supply for the goods or service. Supporting documentation from the manufacturer to indicate that a particular item cannot be obtained from any other source must be provided by the user department and accompany the Invoice Payment Package when submitted to finance.

b) When the required item is covered by an exclusive right such as a patent, copyright, or exclusion license

c) Where supplies are offered for sale by tender, auction, or negotiation, such purchase shall be deemed to be a sole source purchase.

13.4 All non-standard procurement will be reported to the Corporate Finance Committee on a quarterly basis.

STRATEGIC PLAN IMPACT:

N/A

Infrastructure:

N/A

Economic Prosperity:

N/A

Environmental Stewardship:

N/A

Operational Excellence:

Ensure operational excellence through open communication and exceptional customer service. Full accountability.

FINANCIAL IMPACT:

N/A

PUBLIC INPUT:

N/A

INTERNAL/EXTERNAL CONSULTATION:
N/A

COMMENTS/ANALYSIS:
Provided for Committee information.

Line #	Invoice Date	Source Form Approval Date	Vendor Name	Inv. #	Single	Sole	Dollar Value - per invoice (tax out)	Dollar Value Approved	Authorization Level	Description	Exception	Notes
1	invoice to come	Feb 8 2022	Pop Up Patios	to come		x	\$19,350.00	\$19,350.00	Director - Jaclyn Grimmon	temporary patio units for 2022 summer use downtown Trenton	13.3a	only one vendor with this type of product
2	Jan 27 2022	Feb 16 2022	Falcon Security	1000075481	x		\$18,019.80	\$18,019.80	Director - Chris Angelo	annual alarm monitoring for Water & Wastewater facilities	13.2k	extension of existing contract
3	Mar 1 2022	Feb 3 2022	Commercial Emergency Equipment	04480298-0	x		\$440,000.00	\$440,000.00	Committee/Council	Replacement for damaged Fire truck. A demo unit was available	13.2g	an immediate need
4	Feb 5 2022	March 8 2022	McCann Trucking & Excavating	843213 & 843215	x		\$42,195.00	\$42,195.00	Director - Chris Angelo	Roadside Brushing services - specialized heavy equipment	13.2a	due to market conditions, goods are in short supply
5	Feb 27 2022	Dec 21 2021	Simply Voting	18805	x		\$13,455.00	\$53,450.00	CAO - David Clazie	Election Services	13.2a	due to market conditions, goods are in short supply
6	Dec 8 2021	March 25 2022	Can Am Instruments	66982	x		\$10,879.12	\$10,879.12	Director - Chris Angelo	sampler replacement	132.b	compatibility
7	Mar 9 2022	Feb 8 2022	AWI	8909			\$13,638.21	\$279,758.26	Committee/Council	Filter underdrain system replacement Trenton WTP	13.2b	compatibility
					2021 Total To Date		\$557,537.13					
					Report 1							

**Pre-Approved by Committee Staff Report 21-049 PWES
(Sept 14, 2021) for W/WW Sole and Single Source Contractors
and Suppliers**

SUMMARY	CFS Report 1 – April 2022			
Jacobs 9CH2M Hill	\$ 38,902.80			
Kemira	\$ 99,283.68			
Pro-Aqua	\$ 25,083.48			
Xylem Canada	\$ 14,026.00			
Evoqua Water	\$ 13,820.00			
Carmichael Eng.	\$ 11,161.84			
Total	\$ 202,277.80			