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Town of Aurora
Information Report
No. FIN23-008

Subject: Q4 2022 Procurement Report

Prepared by: Anna Ruberto, Procurement Manager

Department: Finance

Date: March 7, 2023

In accordance with the Procedure By-law, any Member of Council may request that this Information Report be placed on an upcoming General Committee or Council meeting agenda for discussion.

Executive Summary

This report presents procurement information for Q4 of 2022 as per the Town's procurement by-law reporting requirements including:

- Three competitive bid contracts exceeded \$250,000 during this reporting period.
- Four non-standard procurement contracts were awarded with a value up to \$250,000.
- One awarded open competition contract identified as using the Green Procurement Policy.

Background

An award to Suppliers can occur when there is sufficient budget as approved by Council during the budget process. The authorization to initiate the procurement is by the Department Head and the delegated authority to award is the Division Manager and the Procurement Manager. There is a purchase order (PO) and legal contract when the award is over \$50,000. Contracts less than \$1,000,000 are executed by the Department Head and contracts over \$1,000,000 require the approval of the Chief Administrative Officer (CAO). Pursuant to section 9.3 of the by-law, the Procurement Manager shall prepare a quarterly summary information report to Council outlining all awarded open competition contracts.

A Non-Standard Procurement may be used for the procurement of goods, services, or construction under specific circumstances. The methods include acquiring deliverables directly from a particular supplier without conducting a competitive process when an invitational competition or an open competition would normally be required and soliciting bids from a limited number of suppliers without conducting an open pre-qualification process when an open competition would normally be required.

The Procurement Bylaw Section B – Exclusions provides the circumstances in which non-standard procurements are permissible. A non-standard procurement may be used when there is only one source that is able to meet the requirements of the procurement, which may be due to their unique ability or skill, possession of proprietary technology, copyright, patent, or other intellectual property. Additional approved criteria include when there is more than one supplier available however, a certain supplier needs to be retained for reasons of standardization or compatibility with existing products or where a contract is required due to a contract termination or expiry, for a short interim period to meet immediate recurring business requirements.

Non-standard procurements authorization to procure require approval of the CAO up to \$100,000 and the Procurement Governance Committee (PGC) between \$100K to \$250,000. Over \$250,000 there is a requirement for Council approval to authorize the procurement. For the procurement of software licenses, maintenance and pay related fees (excluding implementation costs), for contracts of up to five years and over \$250,000, the PGC is authorized to procure. The contract issuance and execution requirements follow the same thresholds as standard open competition procurements.

Sections 9.3 of the procurement by-law requires the Procurement Manager to prepare a quarterly summary information report to Council outlining all awarded non-standard Procurements not requiring Council approval. This report excludes emergency procurements which have separate reporting requirements and low and mid value procurements under \$50,000.

All procurement thresholds and item in this report exclude the harmonized sales tax.

Analysis

Three competitive bid contracts exceeded \$250,000 during this reporting period

From October to December of 2022, there were three awards made over \$250,000, for a total award amount of \$4,284,778.50.

Table 1
Q4 2022 Competitive Bid Contracts Awarded Over \$250,000

Procurement Number & Description	Department & Division	Supplier Name	Term	Amount (Excl. Hst)
2022-64-CMS-F SARC Pool Liner Repair / Replacement	Community Services - Facilities	Acapulco Pools Ltd.	PO issued 11/05/22 No Term	\$441,028.50
2022-73-OPS-W Maintenance and Emergency Repairs of Lift Stations and A Water Booster Station	Operational Services - Water/Wastewater	Aquatech Canadian Water Services Inc.	PO issued 11/17/2022 5 Year Term (with Two One Year Optional Term)	\$1,279,000.00
2022-77-OPS-W Emergency Repairs to Water Distribution and Sewer Systems	Operational Services - Water/Wastewater	A. Donofrio Construction Co. Ltd.	PO issued 12/07/2022 5 Year Term (with Two One Year Optional Term)	\$2,564,750.00

Four non-standard procurement contracts were awarded with values to \$250,000

There were four non-standard procurements awarded for a total award amount of \$402,437.90. There was one for Planning & Development Services, Engineering Services division, one for Community Services, Recreation division, one for Finance, Financial Management division and one for Finance, IT division.

Table 2
Q4 2022 Non-Standard Procurement Contracts Awarded

Procurement By-Law Reference	Department & Division	Supplier Name	Procurement Number and Description	Amount (Excl. Hst)
<p>"An Open Competition was conducted for the required goods or services and did not result in the receipt of any valid Bids in accordance with Procurement By-law 6404-22."</p>	<p>Planning & Development Services - Engineering Services</p>	<p>Ainley & Associates Limited</p>	<p>2022-85-PDS-ENG Road Reconstruction Design for McLeod Drive and Mill & Overlay Design for Marksbury Court, Gilbank Drive and Lacey Court RFP#2022-68-PDS-ENG was issued on June 16, 2022, closed on July 11, 2022, and no submissions were received.</p>	<p>\$196,536.25</p>

Procurement By-Law Reference	Department & Division	Supplier Name	Procurement Number and Description	Amount (Excl. Hst)
<p>“It can be demonstrated that the goods or services can be supplied only by a particular Supplier and no alternative or substitute exists for the following reason(s): Patents, copyrights, or other exclusive rights must be protected.”</p>	<p>Community Services - Recreation</p>	<p>The Royal Life Saving Society Canada</p>	<p>2022-89-CMS-R Supply and Delivery of Course Materials and Exam Fees for the Aquatic Leadership Program The Royal Lifesaving Society is the sole provider of their programs, and they have sole copyrights of all the required program materials for their programs.</p>	<p>\$63,644.85</p>

Procurement By-Law Reference	Department & Division	Supplier Name	Procurement Number and Description	Amount (Excl. Hst)
<p>“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: 1. cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software licenses and maintenance, services, or installations procured under the initial procurement; and 2. would cause significant inconvenience or substantial duplication of costs for the Town.”</p>	<p>Finance – Financial Management</p>	<p>PSD Citywide Inc.</p>	<p>2022-90-F-FM O.REG.588 Compliant Asset Management Plan To ensure continued compliance with O.Reg 588/17, the Town's Asset Management Plan requires further update. Public Sector Digest (PSD) was previously engaged by the Town to assist in it first phase of a major update to the Plan using CityWide. This software was developed and is owned by PSD and therefore they have the technical knowledge to complete this second phase.</p>	<p>\$70,000.00</p>

Procurement By-Law Reference	Department & Division	Supplier Name	Procurement Number and Description	Amount (Excl. Hst)
<p>“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: 1. cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software licenses and maintenance, services, or installations procured under the initial procurement; and 2. would cause significant inconvenience or substantial duplication of costs for the Town.”</p>	<p>Finance – Information Technology</p>	<p>Hewlett Packard Enterprise Canada Co.</p>	<p>2022-95-F-IT Provide Support and Maintenance for the Town's Server Equipment Hewlett Packard Enterprise Canada Co. (HPE) must provide this support and maintenance for technical reasons, and they are the only supplier able to provide this. Maintaining this support is critical to the business operations of the Town.</p>	<p>\$72,256.80</p>

Advisory Committee Review

None

Legal Considerations

Pursuant to section 9.3 of the Procurement By-law, as amended, the Procurement Manager shall prepare a quarterly report of awarded procurements exceeding \$250,000 and non-standard purchases not requiring Council approval, excluding low and mid value procurements (i.e., less than \$50,000). This report satisfies these provisions.

Financial Implications

The value of awarded procurements which exceed \$250,000 represent a financial obligation to the Town of \$4,284,778.50. Additionally, the above list of awarded Non-Standard Procurements represent a financial obligation to the Town of \$402,437.90.

Communications Considerations

The Town will inform residents about the details contained in this report by making it available on the Town's website.

Climate Change Considerations

The Green Procurement Policy (GPP) was approved by Council on February 22, 2022. Town staff are responsible for ensuring that their procurements address the green procurement objectives in a manner consistent with the Green Procurement Policy. Procurements may be considered eligible for green procurement when the Town has identified environmental standards for the good or service and/ when the budget for the good or service being procured identifies it as a green initiative. Town staff may also consider green procurement for other purchases. The reporting requirements of the GPP are within Section 3.4 and requires the quarterly report to Council include a summary of the Town's green procurement over \$50,000. The open competition procurements identified as using this policy are outlined in Table 3.

**Table 3
Q4 2022 Contract Awarded with Green Procurement**

Procurement Number & Description	Department	Supplier Name	Green Procurement Good / Service	Amount (Excl. Hst)
2022-77-OPS-W Emergency Repairs to Water Distribution and Sewer Systems	Operations	A. Donofrio Construction Co. Ltd.	The Contract includes clauses that require the Supplier to take environmental precautions such as: <ul style="list-style-type: none"> • Erosion and Sediment control, ensuring protection of streams and watercourses from seepage. • Proper disposal of excavated materials off site per the Environmental Protection Act and O. Reg. 347 • Tree preservation 	\$2,564,750.00

Link to Strategic Plan

Regular reporting to Council on the Town’s awarded contracts contributes to achieving the Strategic Plan guiding principle of “Leadership in Corporate Management” and improves transparency and accountability to the community.

Alternative(s) to the Recommendation

None

Conclusions

The Bylaw and Green Procurement Policy requirements to provide a quarterly procurement report summarizing awards over \$250,000; non-standard procurements, not requiring Council approval and procurements over \$50,000 with green procurement initiatives, has been fulfilled.

Attachments

None

Previous Reports

None

Pre-submission Review

Agenda Management Team review on February 16, 2023

Approvals

Approved by Rachel Wainwright-van Kessel, CPA, CMA, Director, Finance/Treasurer

Approved by Doug Nadorozny, Chief Administrative Officer