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Town of Aurora
Information Report
No. FIN23-034

Subject: Q2 2023 Procurement Report

Prepared by: Anna Ruberto, Procurement Manager

Department: Finance

Date: September 5, 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 Q2 of 2023 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
- Two awarded open competition contracts 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 require approval of the CAO up to \$100,000 and the Procurement Governance Committee (PGC) between \$100,000 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 items in this report exclude the harmonized sales tax.

Analysis

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

From April to June of 2023, there were three awards made over \$250,000, for a total award amount of \$4,525,166.92.

Table 1
Q2 2023 Competitive Bid Contracts Awarded Over \$250,000

Procurement Number & Description	Department & Division	Supplier Name	Term	Amount (Excl. HST)
2023-02-PDS-ENG Replacement of Existing Storm Culvert on Murray Drive	Planning and Development Services - Engineering Services	614128 Ontario Ltd. o/a Trisan Construction	No Term	\$3,985,166.92
2023-12-OPS-R Crack Sealing	Operational Services - Roads	Roadmaster Road Construction & Sealing Ltd.	5 Year Term 05/01/2023 to 04/30/2028	\$270,000.00
2023-13-OPS-P Supply and Delivery of Trees	Operational Services - Parks	Dutchmaster Nurseries Limited	3 Year Term 05/01/2023 to 04/30/2026	\$270,000.00

Four non-standard procurement contracts were awarded

There were four non-standard procurements awarded by Finance Department for a total award amount of \$765,054.14. There were two for IT, one for Financial Management, and one for Financial Reporting and Revenue.

Table 2
Q2 2023 Non-Standard Procurement Contracts Awarded

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:</p> <p>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</p> <p>2. would cause significant inconvenience or substantial duplication of costs for the Town.”</p>	Finance – IT	N. Harris Computer Corporation	<p>2023-23-F-IT</p> <p>Support and Maintenance for Cityview – Land Management System</p> <p>N. Harris Computer Corporation have been awarded this work due to technical reasons. They are the only Supplier able to provide the software license and maintenance for the land management system.</p> <p>Term: 03/01/23 to 02/29/28</p>	\$421,659.60

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:</p> <p>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</p> <p>2. would cause significant inconvenience or substantial duplication of costs for the Town.”</p>	Finance - IT	Ricoh Canada Inc.	<p>2023-46-F-IT</p> <p>Support and Maintenance for Laserfiche – File Management System</p> <p>Ricoh Canada Inc. has been awarded this work due to technical reasons. They are the only Supplier able to provide the software license and maintenance for the Laserfiche file management system.</p> <p>Term: 02/09/2023 to 02/08/2028</p>	\$203,956.58

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:</p> <p>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</p> <p>2. would cause significant inconvenience or substantial duplication of costs for the Town.”</p>	Finance – Financial Management	Watson & Associates Economists Ltd.	<p>2023-61-F-FM</p> <p>Consultant Services to provide DC Background Study and By-Law Update</p> <p>Watson & Associates Economists Ltd. has been awarded this work due to technical reasons. They have completed the Town's recent Development Charge (DC) Study and Bylaw amendment and been a key contributor to the Town's recently developed growth models and financial planning work.</p>	\$99,900.00

Procurement By-Law Reference	Department & Division	Supplier Name	Procurement Number and Description	Amount (Excl. HST)
<p>“The Procurement Value is below the Open Competition Threshold, and it is in the best interests of the Town to proceed with a Non-Standard Procurement.”</p>	<p>Finance – Financial Reporting and Revenue</p>	<p>Pitney Bowes of Canada Ltd.</p>	<p>23-REQ-000022</p> <p>Envelope Folding Machine</p> <p>Pitney Bowes is the only manufacturer that can accommodate our envelopes.</p> <p>The existing lease with Pitney Bowes of Canada Ltd. was replaced with this upgraded Relay 5000 model.</p> <p>Lease Term: 66 months</p>	<p>\$39,537.96</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. This report satisfies these provisions.

Financial Implications

The value of awarded procurements which exceed \$250,000 represent a financial obligation to the Town of \$4,525,166.92. Additionally, the above list of awarded Non-Standard Procurements represent a financial obligation to the Town of \$765,054.14.

Communications Considerations

The Town will inform the public 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
Q2 2023 Contract Awarded with Green Procurement

Procurement Number & Description	Department & Division	Supplier Name	Green Procurement Good / Service	Amount (Excl. Hst)
<p>2023-13-OPS-P</p> <p>Supply and Delivery of Trees</p>	<p>Operational Services - Parks</p>	<p>Dutchmaster Nurseries Limited</p>	<p>The procurement documents, including the scope of work and bid specifications, included the requirement for all tree ropes, burlap, root ball wrap and trunk protection materials to be all-natural biodegradable materials. It was further specified that root balls wrapped or tied with synthetic materials will be rejected upon delivery. The term for this contract is for a length of three years.</p>	<p>\$270,000.00</p>
<p>2023-24-OPS-P</p> <p>Supply and Delivery of Sports Field Marking Paint</p>	<p>Operational Services - Parks</p>	<p>PPG Architectural Coatings Canada, Inc.</p>	<p>The scope of work for this Contract includes the requirement for the Supplier to ensure that environmental precautions have been taken, such as providing environmentally friendly paint and the reuse of the empty paint pails and pallets.</p>	<p>\$99,682.00</p>

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 August 17, 2023

Approvals

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

Approved by Doug Nadorozny, Chief Administrative Officer