COMMITTEE OF THE WHOLE (2) – SEPTEMBER 22, 2020

STAFF COMMUNICATIONS

	Distributed	September	17,	2020
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SC1 Memorandum from the Deputy City Manager, Corporate Services, City Treasurer and CFO and the Director of Procurement Services dated September 17, 2020.

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Please note there may be further Communications.



COMMUNICATION - SC-1 Committee of the Whole (2) September 22, 2020

STAFF COMMUNICATION

DATE:

Thursday, September 17, 2020

TO:

Mayor and Members of Council

FROM:

Michael Coroneos, Deputy City Manager Corporate Services.

City Treasurer and Chief Financial Officer

Asad Chughtai, Director of Procurement Services

RE:

STAFF COMMUNICATION - September 22, 2020 / CW(2)

Procurement Activity Report, Quarter 2 - 2020

1. Purpose

The purpose of this Staff Communication is to provide Mayor and Council information regarding Procurement Activities undertaken in Q2 2020.

Under the City of Vaughan's <u>Corporate Procurement Policy PS-003</u>, <u>Reports to City Council Section 4.6.1</u>, "The Director of Procurement Services shall prepare a summary information report on all procurement awards, to be submitted to Council on a quarterly basis".

2. Analysis

117 procurement contracts worth \$40.1 million were processed in Q2

Procurement Services processed 76 competitive bids valued at \$38.3 million and 41 non-competitive bids valued at \$1.8 million. The non-competitive bids included a \$0.8M award for the Design and Contract Administration of the City Hall West Parking Lot Improvements.

Procurement Services will continue to work with client departments to further improve the competitive procurement awards, while reducing the non-competitive spend.

Departments processed \$1.1 million in Low Dollar Module (LDM) Purchase Orders

The introduction of LDM Purchase Orders through JDE has provided a more robust reporting tool, allowing the distribution of monthly reports to departments with information on their LDM purchases. It also provides Procurement Services with the ability to review the types of procurements made and engage in meaningful conversations with departments regarding spend patterns and alternate procurement methods that could be

thoughtfully considered. This will help facilitate the departments' procurement needs while leveraging the City's buying capacity to obtain the best value for money spent.

During the second quarter, there were 1,194 LDM purchase orders issued, totaling \$1.1 million.

Q2 2020 LDM purchases represent a decrease of \$686k over the same quarter last year, or a reduction of 38 per cent. A portion of this reduction was as a result of transitioning LDM purchases to competitive procurements through corporate contracts or Vendor of Record arrangements.

Procurement Services staff will continue to review and monitor these transactions with client departments to determine if alternative procurement methods could be considered.

Departments processed \$1.3 million in Purchasing Card (PCard) transactions

To provide City employees with the flexibility to conduct day-to-day business, departments have the authority to purchase low value goods and services using PCards. As of June 30, 2020, there were 268 approved PCard holders throughout the City of Vaughan and Vaughan Public Libraries.

The City of Vaughan implemented the PCard Program to transition from manual-intensive processes to a more efficient and cost-effective method of purchasing low value goods and services, reducing overall transaction time while improving transparency, visibility, monitoring and reporting.

During the second quarter, departments processed 1,814 transactions worth \$1.3 million. Analysis shows that 67 percent of transactions were primarily for low value operating supplies, advertising, professional memberships, training, seminars, while 33 percent of the transactions account for existing corporate contracts where the PCard can be utilized for payment.

As a result, the City continues to realize administrative and transactional savings through the significant reduction of cheque payments to multiple vendors, and to employees for reimbursement of out-of-pocket costs.

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Conclusion

This report has been prepared in compliance with the Procurement Policy approved by Council on April 1, 2017.

For more information contact, Mary DiGiovanni, Manager, Business Support and Supplier Relationship, ext. 8020.

Michael Coroneos,

Deputy City Manager,

Weld Con I

Corporate Services & Chief Financial Officer

Asad Chughtai,

Director Procurement Services

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Attachments

Attachment 1: Procurement Activity – Procurements by Type, and by Delegated Authority, Awarded During the Second Quarter

Attachment 2: Procurement Activity – Procurements by Portfolio/Office, and by Procurement Type, Awarded During the Second Quarter

Attachment 3: Procurement Activity – Competitive and Non-Competitive Procurement Activity for the Second Quarter

Attachment 1: Procurement Activity – Procurements by Type, and by Delegated Authority, Awarded During the Second Quarter

Procurement Type	117	27	47	26	17	#	Giarid Lotal
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Cocurement Type City Manager Deputy City Manager Director Manager Total Manager Tender \$ 27,146,816 2,269,000 370,833 19,350 29,805,8 Tender 7 8 5 1 29,805,8 Proposal \$ 5,429,650 1,395,901 583,296 0 7,408,8 Proposal # 0 212,212 543,428 85,693 841,3 Quote \$ 0 212,212 543,428 85,693 841,3 Pre-Qualification # 0 12,000 33,300 160,570 205,8 # 0 12,000 33,300 160,570 205,8 # 0 12,000 33,300 160,570 205,8 # 0 0 0 0 0 0 # 12 17 21 20 0 0 0 # 22 25 265,613 38,262,0 38,262,0 33,132 285,427 0 918,2	32	0	21	7	4	#	onigio occirco
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City Manager Deputy City Manager Manager Manager Manager Total Manager Tender \$ 27,146,816 2,269,000 370,833 19,350 29,805,95 Tender # 5 1,395,901 583,296 0 7,408,8 Proposal # 5 1,395,901 583,296 0 7,408,8 Quote # 0 212,212 543,428 85,693 841,3 Pre-Qualification # 0 12,000 0 0 0 0 Pre-Qualification \$ 0 12,000 33,300 160,570 205,8 # 0 12,000 33,300 160,570 205,8 # 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 205,8 2 265,613 38,262,0 * *	O1	0	သ	_	_	#	Colo
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Deputy City Deputy City Director Manager Manager Director Manager Manager Director Manager Man	7,408,847	0	583,296	1,395,901	5,429,650	S	Request for Proposal
Deputy City Deputy City ment Type City Manager Manager Director Manager \$ 27,146,816 2,269,000 370,833 19,350	21		5	8	7	#	reducer or relief
Deputy City City Manager Manager Director Manager	29,805,999	19,350	370,833	2,269,000	27,146,816	€	Reguest for Tender
	Total	Manager	Director	Deputy City Manager	City Manager		Procurement Type

There were no contract awards during Q2 that required approval from Council or the VPL Board.

Attachment 2: Procurement Activity – Procurements by Portfolio/Office, and by Procurement Type, Awarded During the Second Quarter

Portfolio/Office		Request for Tender	Request for Proposal	Request For Quote	Request for Pre-Qualification	Quick	Request For Information	Sole Source	Single Source	Emergency Purchases	Grand Total
Company of the Compan	49	0	0	0	0	0	0	0	44,497	0	44,497
City Mailagel	#	0	0	0	0	0	0	0	2	0	2
Administrative Services & City Sellicity	49	0	536,003	0	0	0	0	0	60,000	0	596,003
Administrative services & City Solicitor	#	0	3	0	0	0	0	0	_	0	4
Community Society Bortfolio	49	1,429,284	0	156,533	0	18,600	0	0	269,797	66,618	1,940,832
Collinating Set vices Foldollo	#	2	0	4	0		_	0	5	2	15
Comparato Sorvices City Transmer & CEO	&	607,834	34,800	203,802	0	33,300	0	48,125	88,415	0	1,016,275
corporate services, city ireasurer & CFO	#	2	_	3	0	_	0		4	0	12
Infrastructura Davidanment	\$	13,221,940	5,925,569	158,083	0	135,470	0	782,950	272,523	5,474	20,502,009
IIII astracture pevelopillerit	#	9	9	6		13	0	2	1	-	52
Blanning & Crouth Management Boutfelie	↔	417,100	912,475	2,200	0	11,810	0	0	79,714	0	1,423,299
Flailling & Grown Management Foldono	#	1	3	_	0	2	0	0	2	0	9
Public Works Portfolio	€9	14,129,841	0	314,420	0	0	0	12,355	96,933	10,640	14,564,189
Fubilc avoirs Folliono	#	7	0	4	0	0	0	2	6	-	20
Vauchan Bublic Librarias	\$	0	0	6,295	0	6,690	0	0	6,394	0	19,379
vaugilaii Fubiic Libi ailes	#	0	0	_	0	_	0	0	1	0	(1)
Grand Total	\$	29,805,999	7,408,847	841,332	0	205,870	0	843,430	918,274	82,732	40,106,484
Ciana i Cian	#	21	16	19	4	18	1	5	32	4	717

Attachment 3: Procurement Activity - Competitive and Non-Competitive Procurement Activity for the Second Quarter

	477	
1,844,436	41	Sub-Total Non-Competitive
82,732	4	Emergency Procurement
918,274	32	Single Source
843,430	5	Sole Source
		Non-Competitive
38,262,048	76	Sub-Total Competitive
0		RFI
205,870	18	QQ
0	_	RFPQ (VOR)
841,332	19	Quotes
7,408,847	16	RFPs
29,805,999	21	Tenders
		Competitive
Value (\$)	No. of Awards	Bid Type
Q2 2020	22	