

**COMMITTEE OF THE WHOLE (2) – MAY 12, 2021**

**STAFF COMMUNICATIONS**

---

**Distributed May 7, 2021**

SC1 Memorandum from the Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer and the Director of Procurement Services dated May 6, 2021.

**Disclaimer Respecting External Communications**

Communications are posted on the City's website pursuant to Procedure By-law Number 7-2011. The City of Vaughan is not responsible for the validity or accuracy of any facts and/or opinions contained in external Communications listed on printed agendas and/or agendas posted on the City's website.

**Please note there may be further Communications.**

**STAFF COMMUNICATION**

Staff Communication : SC 1  
Committee of the Whole (2)  
May 12, 2021

**DATE:** Thursday, May 6, 2021

**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 – May 12, 2021 / CW(2)**  
**Procurement Activity Report, Quarter 1 - 2021**

---

## 1. Purpose

The purpose of this Staff Communication is to provide Mayor and Members of Council information regarding Procurement Activities undertaken in Q1 2021.

Under the City of Vaughan's *Corporate Procurement Policy PS-003, Reports to City Council Section 4.6.1*, "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

### 119 procurement contracts worth \$29 million were processed in Q1

Procurement Services processed 66 competitive bids valued at \$26 million and 53 non-competitive bids valued at \$3 million.

Notwithstanding remote work arrangements, Procurement Services continued to support Client Departments with a 41% increase in awarded contract value and a 13% increase in number of awarded contracts when comparing to the same reporting quarter last year.

Additional details of all contract awards for procurement activities undertaken in Q1 2021 are available on the Vaughan Online [Procurement Services internal site](#) and the Procurement Services page on the [City of Vaughan external website](#).

The [City of Vaughan Bidding Portal](#) offers public access to all bid documents, including bid results and contract awards. Consolidated quarterly contract awards are also available via the Procurement Services page on the City of Vaughan external website.

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

### **Departments processed \$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 first quarter, there were 1,078 LDM purchase orders issued, totaling \$1 million.

Q1 2021 LDM purchases represent a decrease of \$0.2 million over the same quarter last year, or a reduction of 16 percent. A portion of this reduction was due to transitioning LDM purchases to competitive procurements through corporate contracts or Vendor of Record arrangements.

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

### **Departments processed \$1.1 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 March 31, 2021, there were 276 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 first quarter, departments processed 2,085 transactions worth \$1.1 million, primarily for low value operating supplies, advertising, professional memberships, training, seminars, and 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.

## **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,  
Corporate Services & Chief Financial Officer



Asad Chughtai,  
Director Procurement Services

## **Attachments**

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

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

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

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

Procurement Type		Council	City Manager	Deputy City Manager	Director	Manager	Total
Request for Tender	\$	0	20,437,636	1,218,004	69,632	0	<b>21,725,272</b>
	#	0	8	6	1	0	<b>15</b>
Request for Proposal	\$	0	2,985,535	300,000	428,715	7,400	<b>3,721,650</b>
	#	0	4	1	6	1	<b>12</b>
Request for Quote	\$	0	0	0	391,084	52,643	<b>443,727</b>
	#	0	0	0	8	5	<b>13</b>
Request for Pre-Qualification	\$	0	0	0	0	0	<b>0</b>
	#	0	2	4	5	3	<b>14</b>
Quick Quote	\$	0	0	0	29,878	103,852	<b>133,730</b>
	#	0	0	0	1	10	<b>11</b>
Request for Information	\$	0	0	0	0	0	<b>0</b>
	#	0	0	0	0	1	<b>1</b>
<b>Competitive</b>	\$	<b>0</b>	<b>23,423,172</b>	<b>1,518,004</b>	<b>919,309</b>	<b>163,895</b>	<b>26,024,380</b>
	#	<b>0</b>	<b>14</b>	<b>11</b>	<b>21</b>	<b>20</b>	<b>66</b>
Sole Source	\$	0	374,130	40,881	187,754	0	<b>602,765</b>
	#	0	3	1	19	0	<b>23</b>
Single Source	\$	1,500,000	140,000	191,925	209,288	0	<b>2,041,213</b>
	#	1	2	6	17	0	<b>26</b>
Emergency Purchase	\$	0	283,808	0	13,393	12,575	<b>309,776</b>
	#	0	1	0	1	2	<b>4</b>
<b>Non-Competitive</b>	\$	<b>1,500,000</b>	<b>797,938</b>	<b>232,806</b>	<b>410,435</b>	<b>12,575</b>	<b>2,953,754</b>
	#	<b>1</b>	<b>6</b>	<b>7</b>	<b>37</b>	<b>2</b>	<b>53</b>
<b>Grand Total</b>	\$	<b>1,500,000</b>	<b>24,221,110</b>	<b>1,750,810</b>	<b>1,329,744</b>	<b>176,470</b>	<b>28,978,134</b>
	#	<b>1</b>	<b>20</b>	<b>18</b>	<b>58</b>	<b>22</b>	<b>119</b>

There were no contract awards during this quarter that required approval from the VPL Board.

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

Portfolio/Office		Request for Tender	Request for Proposal	Request for Quote	Request for Pre-Qualification	Quick Quote	Request for Information	Sole Source	Single Source	Emergency Purchases	Grand Total
City Manager	\$	0	79,675	0	0	0	0	19,500	37,800	0	136,975
	#	0	2	0	3	0	0	2	2	0	9
Administrative Services & City Solicitor	\$	0	0	0	0	0	0	0	35,000	0	35,000
	#	0	0	0	0	0	0	0	1	0	1
Community Services Portfolio	\$	191,537	495,490	98,733	0	0	0	80,000	159,791	0	1,025,551
	#	2	4	4	0	0	0	1	5	0	16
Corporate Services, City Treasurer & CFO	\$	1,120,401	731,459	49,872	0	0	0	65,381	1,541,170	0	3,508,283
	#	2	1	3	0	0	0	2	4	0	12
Infrastructure Development	\$	9,507,675	2,331,276	22,722	0	133,730	0	252,005	99,081	296,383	12,642,872
	#	3	4	1	9	11	0	5	4	3	40
Internal Audit	\$	0	0	0	0	0	0	0	13,800	0	13,800
	#	0	0	0	0	0	0	0	1	0	1
Planning & Growth Management Portfolio	\$	0	83,750	0	0	0	0	91,715	0	0	175,465
	#	0	1	0	0	0	0	1	0	0	2
Public Works Portfolio	\$	10,905,659	0	193,942	0	0	0	94,164	122,821	13,393	11,329,979
	#	8	0	3	2	0	1	12	8	1	35
Vaughan Public Libraries	\$	0	0	78,458	0	0	0	0	31,750	0	110,208
	#	0	0	2	0	0	0	0	1	0	3
Grand Total	\$	21,725,272	3,721,650	443,727	0	133,730	0	602,765	2,041,213	309,776	28,978,134
	#	15	12	13	14	11	1	23	26	4	119

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

Bid Type	Q1 2021	
	No. of Awards	Value (\$)
<b>Competitive</b>		
Tenders	15	21,725,272
RFPs	12	3,721,650
Quotes	13	443,727
RFPQ	14	0
QQ	11	133,730
RFI	1	0
<b>Sub-Total Competitive</b>	<b>66</b>	<b>26,024,380</b>
<b>Non-Competitive</b>		
Sole Source	23	602,765
Single Source	26	2,041,213
Emergency Procurement	4	309,776
<b>Sub-Total Non-Competitive</b>	<b>53</b>	<b>2,953,754</b>
<b>Total</b>	<b>119</b>	<b>28,978,134</b>