



THE REGIONAL MUNICIPALITY OF NIAGARA
PROCUREMENT ADVISORY COMMITTEE
AGENDA

PAC 1-2020

Monday, September 14, 2020

1:00 p.m.

Meeting will be held by electronic participation only

Pages

1. CALL TO ORDER
2. DISCLOSURES OF PECUNIARY INTEREST
3. PRESENTATIONS
4. DELEGATIONS
5. ITEMS FOR CONSIDERATION

- 5.1 PAC-C 1-2020
Procurement Work Plan 2020-2021

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A presentation will precede the consideration of this item.

6. CONSENT ITEMS FOR INFORMATION
7. OTHER BUSINESS
8. NEXT MEETING
The next meeting will be held on Monday, November 16, 2020 at 1:00 p.m.
9. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376 (cellphone) or accessibility@niagararegion.ca (email).

Procurement Work Plan 2020-2021

Procurement Advisory Committee
PAC-C 1-2020

September 14, 2020

Bart Menage, Director, Procurement & Strategic Acquisition

Procurement Work Plan 2020- 2021

Procurement Advisory Committee: September 14, 2020

Bart Menage, CSCMP, CRM
Director of Procurement and Strategic Acquisitions
Corporate Services

Procurement Modernization

- In the time since PAC re-convened (September 2017) Procurement has (with PAC support) developed and instituted many of the initiatives outlined herein.
- Each has expanded and advanced the modernization of the Regional procurement.
- As, almost one year has passed since that last Procurement Advisory Committee meeting, this report presents a consolidation of the 2019 work plan, 2020 accomplishments and new work plan actions going forward.

Non-Work Plan Initiatives

- Procurement Essentials eLearning Module
- Procurement Navigator
- Request for Proposal Evaluation Guide
- Procurement Tracker (Intake Process)
- Non-Binding Request for Quotation

Essentials for Leaders Objectives

- Understand the importance of public procurement practices
- Understand your role in supporting and adhering to Niagara Region's Procurement By-law
- Build awareness to and understanding of the Region's informal and formal procurement processes, including required documentation and approvals

Procurement Navigator

Are you looking to make a corporate purchase, but not sure what to do next?

Niagara Region's Procurement Navigator will help you determine what procurement process to follow. Answer a few questions about what you are looking to purchase and you will be provided with:

- Procurement process overview
- Next steps
- Required approvals and documentation
- Access to additional tools and resources

Begin

WORK PLAN: E-BIDDING (Completed)

- Full transition to 100% for all quotations, tenders and proposals including electronic bidding, submissions, security and surety.
 - Reduction in bid irregularities and non-compliant bids;
 - Staff Efficiencies – no data re-entry, export to Excel;
 - Easier access to bids; submit their bid from anywhere;
 - No physical delivery of their bids; and
 - Reduced environmental impact of paper based tendering

WORK PLAN: E-BIDDING TEMPLATES

- In support of E-Bidding, Procurement converted all templates for quotations, tenders and proposals to a format, which is conducive to E-Bidding
- Remaining templates will be transitioned on an as needed basis

WORK PLAN 2020-2021



PROCUREMENT BY-LAW

- Procurement By-law revisions are 80% complete and once completed, Procurement will share the draft By-law with Regional Staff for review and comment.

PROCUREMENT TEMPLATES: Version 4.0

- Procurement will acquire and finalize new templates from the Procurement Office including Negotiated RFP, and develop procedures and requisite documentation.

VENDOR PERFORMANCE MANAGEMENT

- Build upon the Public Works pilot for contractor performance; complete the finalization of the development program (70% complete) for Goods, Consulting and Construction.

PURCHASE ORDER DATA REPORTING:

- Continued generation, development and assessment of PO Data to identify opportunities to initiate Corporate Agreements, which drive savings and audit compliance.
- Procurement is reporting Niagara Region procurement information to Municipal Benchmarking Network Canada (MBN)
- Niagara Region's reporting of Procurement measures from 2017 to date are outlined in the following table.

Procurement Activity

Categories	2017	2018	2019	2020 (July)*
Annual Number - Tenders	52	60	82	45
Annual Number - Proposals	55	72	74	40
Annual Number - Quotations	54	54	54	22
Average number of bids per call	4	3.5	3.7	3.5
Categories	2017	2018	2019	2020 (July)**
Annual Dollar Value - Tenders	\$ 57,738,724.00	\$ 94,742,302.00	\$ 118,816,040.00	\$ 16,809,653.00
Annual Dollar Value - Proposals	\$ 26,832,976.00	\$ 14,730,756.00	\$ 65,208,810.00	\$ 6,087,383.00
Annual Dollar Value - Quotations	\$ 2,521,371.00	\$ 2,366,656.00	\$ 2,167,737.00	\$ 682,391.00
Categories	2017	2018	2019	2020 (August)
Annual Number of Purchase Orders	18410	18829	17712	11001
Annual Dollar Value - All Purchase Orders	\$ 279,362,461.00	\$ 297,529,008.00	\$ 319,954,706.00	\$ 267,873,508.00
* RFX totals (107: Tenders, Proposals and Quotations) are as of the end of July 2020.				
** Award Dollar Values (107: Tenders, Proposals and Quotations) shown for only 50 of the fully awarded RFX's.				

Subject: Procurement Work Plan 2020 -2021

Report to: Procurement Advisory Committee

Report date: Monday, September 14, 2020

Recommendations

1. That the proposed 2020-2021 Work Plan for Procurement **BE APPROVED**; and
2. That staff **BE DIRECTED** to report back on new initiatives or topics which require further investigation by Procurement.

Key Facts

- This report seeks Procurement Advisory Committee approval of the proposed 2020-2021 Procurement Work Plan.
- As Procurement continues to evolve and modernize, the Work Plan is instrumental in serving as a guideline to establish the priorities for Procurement.
- Procurement remains committed to improving service delivery and driving efficiency through the implementation of the initiatives outlines herein, which support successful outcomes for Regional projects.

Financial Considerations

Procurement and its related activities are critical in maintaining taxpayer affordability.

Analysis

As almost one year has passed since that last Procurement Advisory Committee meeting, this report represents a consolidation of the 2019 work plan, 2020 accomplishments and new work plan actions going forward.

On March 11, 2019, the Procurement Advisory Committee (PAC) received and approved the 2019-2020 Procurement Work Plan (PAC-C 2-2019) which identified a number of areas that would be the focus for Procurement. On November 18, 2019, Procurement presented a status update (PAC-C 6-2019) on those Work Plan initiatives.

The work plan represents a modernization roadmap as it establishes the focused target areas for Procurement, which improves the manner in which we acquire goods, services and construction. Grounded in the principles of sustainability, the work plan considers many factors including assessing initiatives, outcomes, relationships, resources and technology needed to facilitate innovation, governance and continuous improvement. This proposed work plan effectively builds on the completion and successful implementation of prior initiatives in addition to other (non-work plan) achievements as noted herein.

Procurement is confident that the attainment of the initiatives identified herein will represent a continuation of this modernization and demonstrate how Procurement, as a strategic partner, continues to deliver on Regional projects which bring value to the constituents of Niagara.

While not a specific work plan item, Procurement continually supports both internal and external stakeholders via a comprehensive communications plan, which includes staff updates, briefing packages, website and Vine (intranet) updates and key change management tools such as formal/informal training and education sessions.

Procurement provides the following updates to previous work plan and non-work plan initiatives in addition to the proposed work plan for 2020-2021:

NON-WORK PLAN INITIATIVES

1. Procurement Essentials for Leaders: eLearning Module (90% completion)

This online eLearning module provides an overview of Niagara Region's Procurement Bylaw, as well as a detailed look into the formal and informal procurement processes utilized to support the acquisitions of goods, services and construction. This training will be mandatory for all requisitioners and Procurement will monitor statistics on uptake and completion rates.

2. Procurement Navigator (Completed)

An online tool, which by answering a few questions, will assist staff in identifying not only the correct procurement process they should follow but also they will be provided with supporting information about this process including next steps, required documents and contacts. The intention of our tool is not to replace our Procurement By-law, but rather support it. Next steps is to release this tool to all Regional employees within the next month.

3. Request for Proposal Evaluation Guide (Completed)

Under the guidance of a Fairness Commission, Procurement completed updates in the areas of responsibilities, principles including defensibility, integrity and transparency rated criteria. Additionally, changes being considered include achieving consensus on deviation items, review of use of scoring matrices, release of matrices, evaluation approaches, training, guidelines, process, accountability and debriefing.

4. Procurement Tracker Intake Process (Enhancements)

Developed Agent summary and pending intakes reports, which provide Procurement with the ability to track progress and confirm the next priority projects. Procurement added a link to a pending intake report so that Regional Departments could review intake submissions. Functionality was added enabling Agent input for project progress/comments to inform priority-setting meetings.

5. Non-Binding Request for Quotation (Completed)

Procurement has replaced the current Contract “A” RFQ Template with a non-binding version, which affords greater flexibility in the rectification of minor non-compliances.

WORK PLAN INITIATIVES

1. E-Bidding (Completed)

Full transition to 100% for all quotations, tenders and proposals including electronic bidding, submissions, security and surety.

2. E-Bidding Templates (Completed)

In support of E-Bidding, Procurement converted all templates for quotations, tenders and proposals to a format, which is conducive to e Bidding.

PROPOSED 2020-2021 WORK PLAN

1. Procurement By-law:

Procurement By-law revisions are 80% complete and once completed, Procurement will share the draft By-law with Regional Staff for review and comment.

2. Procurement Templates: Version 4.0:

Procurement will acquire and finalize new templates from the Procurement Office including Negotiated RFP, and develop procedures and requisite documentation.

3. Vendor Performance Management:

Build upon the Public Works pilot for contractor performance; complete the finalization of the development program (70% complete) for Goods, Consulting and Construction. (Recourse for consultant failure, i.e. project not designed properly; penalizing poor performance.)

4. Purchase Order Data Reporting:

Continued generation, development and assessment of PO Data to identify opportunities to initiate Corporate Agreements, which drive savings and audit compliance.

Staff will bring items 1, 3, and 4 to Committee for input and/or approval.

POTENTIAL PROJECTS

- Project contingencies, change orders, contract management and their impact on executed legal agreements (Contract) and Purchase Orders.
- Educational sessions on Procurement Strategies (for example the use of pre-qualification, the use of rosters, tender vs. an RFP, what is a negotiated RFP).
- Educational sessions on statement of work, RFP Evaluation, Risk Management and WSIB, RFP Debriefing.

Pursuant to Committee request related to engaging all contractors more effectively thereby improving supplier relationships, Procurement, in collaboration with Public Works, have been working collaboratively with Heavy Construction Association of Regional Niagara (HCARN) and Public Works Official (PWO) on Supplemental General Conditions.

Alternatives Reviewed

None, other than that identified herein, though the Committee can suggest amendments to the proposed Work Plan.

Relationship to Council Strategic Priorities

While Procurement & Strategic Acquisitions and its related activities align with many of Council's 2019-2022 Strategic Priorities, the Procurement Work Plan perhaps best aligns with Sustainable and Engaging Government, specifically objective 4.1: High

Quality, Efficient and Coordinate Core Services, which promote an organizational culture that values continuous improvement, collaboration, and innovation.

Other Pertinent Reports

PAC-C 2-2019 – Proposed Procurement Work Plan 2019-2020 (March 11, 2019)

PAC-C 6-2019 – Procurement Work Plan Update 2019=2020 (November 18, 2019)

Prepared by:

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Recommended by:

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This report was prepared in consultation with Jeffrey Mulligan and Tracie Byrne, Procurement Managers.