

**Subject:** Corporate Non-Competitive Procurement Activities Exceeding \$100,000

**Report to:** Corporate Services Committee

**Report date:** Wednesday, May 8, 2024

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## **Recommendations**

1. That Report CSD 12-2024 **BE RECEIVED** for information.

## **Key Facts**

- The purpose of this report is to identify all Corporate non-competitive procurement activities between October 1, 2023, and December 31, 2023, by all Departments, which exceeded \$100,000.
- Council approval of PW 47-2021 (August 10, 2021) directed Staff to provide information reports to the Corporate Services Committee each quarter identifying all corporate non-competitive procurement activities that exceed \$100,000 in the intervening period.
- Niagara Region's Procurement By-law 02-2016 as amended February 28, 2019, identifies non-competitive appropriate criteria, procedures and Schedule "B" defines the approval authorities required for any non-competitive procurement activity.

## **Financial Considerations**

The intent of the Procurement By-law is to ensure the appropriate balance of effective approval control and efficient utilization of resources to ensure "best value for the Corporation". All Corporate non-competitive procurement activities must have approved funding in place from either Capital or Operating budgets.

## **Analysis**

Report PW 47-2021 presented at the August 10, 2021, Public Works Committee and approved by Council on August 26, 2021, recommended that:

- Staff provide information reports to the Corporate Services Committee each quarter identifying all corporate non-competitive procurement activities that exceeded \$100,000 in the intervening period.

This report details thirty-one (31) corporate non-competitive procurement activities with a total change value of \$11,183,486, which exceeded \$100,000 between October 1, 2023, and December 31, 2023.

Appendices 1 and 2 detail the non-competitive purchases processed in accordance with the approved criteria, procedures and approval authorities required for any non-competitive procurements meeting the appropriate criteria as outlined in Procurement By-law 02-2016 as amended February 28, 2019.

### **Appendix 1: Straight Single Source**

Fourteen (14) new non-competitive purchases totalling \$2,500,451 in value were identified as “**Single Source**” (Section 18) meaning that no competitive procurement process was utilized to acquire Goods and/or Service from the names even though there may be more than one Supplier capable of delivery of the same.

These totals may include acquisitions which could be consider Sole Source in that there is an absence of competition for technical reasons and only one supplier is capable of delivery of the same.

### **Appendix 2: Change PO Single Source**

Seventeen (17) amendments (Change PO) to the original Purchase Order totalling \$8,683,035 (Single Source change value only). These amendments break down as follows:

- a) Seven (7) amendments (Change PO) to original “**Formal**” Purchase Orders totalling \$2,523,822 where \$1,614,079 was single source (as defined in Appendix 1A).
- b) Six (6) amendments (Change PO) to original “**Single Source**” Purchase Orders totalling \$2,030,360 were single source (as defined in Appendix 1A).
- c) One (1) amendment (Change PO) to original “**Negotiation**” Purchase Orders totalling \$150,000 was single source (as defined in Appendix 1A).
- d) Three (3) amendments (Change PO) to original “**Special Circumstance**” Purchase Orders totalling \$1,029,177 were single source (as defined in Appendix 1A). **Ref:** “Special Circumstances” (Section 17), whereby a non-competitive procurement process was utilized to acquire Goods and/or Services from a specific supplier when certain conditions apply.

## Alternatives Reviewed

None, though the Committee can suggest amendments to the reporting content and format.

## Relationship to Council Strategic Priorities

This report aligns with Sustainable and Engaging Government, specifically objective 4.1: High Quality, Efficient and Coordinated Core Services.

## Other Pertinent Reports

- PW 47-2021 Special Procurement Rules for Public Works Single Source Exceeding \$100,000

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## Appendices

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| Appendix 1 | Listing of non-competitive procurement activity by Single Source |
| Appendix 2 | Listing of non-competitive procurement activity by Change PO     |