

Procurement Work Plan Update

Procurement Advisory Committee: November 18, 2019

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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.
- This presentation offers updates to 2019/20 Work Plan

MODERNIZATION TIMELINE



Accomplishments

2015:
PeopleSoft
Financials
related By-law
amendments
approved by
Council; PAC
established

2016: Amended
By-law comes
into effect ;
aligned with
the Go Live
date for
PeopleSoft
Financials

2016
Procurement
Templates
acquired from
the
Procurement
Office ;
implemented
in 2017

2017: PAC re-
convene to
establish the
2017/18 Work
Plan

2018/19:
Further
updates to
Templates and
By-law to
reflect Trade
Treaty
Legislation
and e-Bidding

WORK PLAN OVERVIEW



2019/2020 Work Plan - Updates

Q2-2019:
Transition to
full e-Bidding;
updating all
templates to
electronic
submission
format.

Q3-2019
Structure for
use of
Negotiated
RFP: process
consideration,
templates and
procedures

Q4-2019:
Transition to
full
electronic
submission
for all
Procurement
types

Q4-2019
Reporting
format
including
development
of Quarterly
Spend
Analytics

Q4-2019 /
Q1-2020:
Final
proposed
amendments
to
Procurement
By-law

E-BIDDING: TRANSITION

- Fourteen (14) electronic bidding procurement projects (events) have been initiated.
- Largely lower risk, quotations and with no requirements for digital bonding.
- Positive results
 - 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
- Next Steps: Transition to more complex procurements

TEMPLATES

- All templates have been updated to the latest versions from the Procurement Office
- Quotations, Tenders and Proposals templates converted for use on eBidding projects
- Templates provided to Bids and Tenders to be set up in our eBidding portal
- Remaining templates will be transitioned on an as needed basis

PROCUREMENT BY-LAW

- Procurement Office engaged to review the current Procurement By-law to identify areas of potential improvement and provide recommendations for update.
- Staff will be proposing that the current By-law be repealed and replaced by a new proposed By-law which duly considers their observations including:

PROCUREMENT BY-LAW

- Streamlining the By-law's focus on more appropriate high-level governance matters, such as:
 - governing principles;
 - core roles and responsibilities of the Region's Council, officers and employees;
 - delegations of authority for procurement approvals and contracting activities;
 - management of procurement-related information and records; and
 - compliance and monitoring.
- Removing overly detailed and prescriptive wording;
- Moving the procedural content into a separate supporting procedures and protocols document;
- Replacing the descriptive different types of procurement document "formats" (e.g. RFP, RFT, RFQ, etc.) with core "methods" like invitational or open competitions.

NEGOTIATED RFP – In Flight Projects

- Concurrent: Collection, Haulage of Garbage, Recyclables and Organics
- Consecutive
 - Operation of Early ON Child and Family Centres;
 - Social Housing ASD;
 - Niagara Homelessness Service System Funding Service Priority (6 separate RFP's: Emergency Shelters, Assertive Outreach, Prevention, Transitional Housing, Housing First and Home for Good)
 - Consecutive (Future Project) Procurement for Proposed Divestiture of the Municipal Recycling Facility.

REPORTING: COMMITTED PO VALUES

- While the quarterly spend analytics reporting is still in development, 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.

Categories	2017	2018	2019 (Sept)
Annual Number - Tenders	52	60	68
Annual Number - Proposals	55	72	53
Annual Number - Quotations	54	54	45
Average number of bids per call	4	3.5	3.8
Categories	2017	2018	2019 (Sept)
Annual Dollar Value - Tenders	\$ 57,738,724.00	\$ 94,742,302.00	\$ 48,772,259.00
Annual Dollar Value - Proposals	\$ 26,832,976.00	\$ 14,730,756.00	\$ 6,917,410.00
Annual Dollar Value - Quotations	\$ 2,521,371.00	\$ 2,366,656.00	\$ 1,464,051.00
Categories	2017	2018	2019 (Sept)
Annual Number of Purchase Orders	18410	18829	13421
Annual Dollar Value - All Purchase Orders	\$ 279,362,461.00	\$ 297,529,008.00	\$ 247,526,985.00