

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee

From: Kelly Scherr, P.Eng., MBA, FEC
Deputy City Manager, Environment & Infrastructure

Subject: 2022 Emergency Procurement – Forestry Operations

Date: July 17, 2023

Recommendation

That, on the recommendation of the Deputy City Manager, Environment and Infrastructure, the following report and source of financing for purchase orders issued under Section 14.2 of the Procurement of Goods and Services Policy **BE RECEIVED** with respect to the Forestry Operations emergency procurement in response to storm damaged trees in May 2022 at a total price of \$209,143 (HST excluded).

Executive Summary

Purpose

This report informs Council of procurement that occurred in May 2022 in response to a major storm event that resulted in a high volume of damaged trees.

Context

Forestry staff and the City's external contractor are well prepared to respond to regular storm events that result in damaged limbs and some felled trees. The abnormal storm that occurred in May 2022 resulted in extensive Forestry work that required additional equipment and contractors to complete the clean-up in a short window of time to maintain public safety, clear roads and address property damage. Emergency procurement was necessary to respond to the urgent needs.

Linkage to the Corporate Strategic Plan

The emergency procurement connects to the Strategic Plan through the "Wellbeing and Safety" Strategic Area of Focus.

Analysis

1.0 Background Information

1.1 Purpose

The purpose of this report is to inform Council of a decision by administration to award multiple purchase orders for contractors and equipment required to address storm damaged trees. The scope of work was beyond the routine work of Forestry Operations and additional support was necessary to address public safety concerns, to remove felled trees from roadways, and to clean up debris from City-owned lands.

2.0 Discussion and Considerations

2.1 May 2022 Storm Event

On May 21, 2022, a significant storm event that included two tornados hit London and closed roads from central London across to the northeast corner of the city. Forestry staff responded quickly to asses the damage. To open the City up quickly and efficiently, it was determined that operations staff required larger equipment than available on hand at the time. Large commercial land clearing companies were contacted just in time before they were dispatched to neighbouring communities that

were also impacted. Forestry staff opened roads within a few days of storm impact and cleaned up debris over the next month.

2.2 Purchasing Process – Justification for Emergency Status

A significant portion of the services and equipment obtained by Forestry Operations exceeded the dollar thresholds in the Procurement of Goods and Services Policy that could permit single source or rapid procurement. Given the rapid onset of the storm and the required clean-up, immediate action was necessary by the City in response. For these reasons, it was decided that it was appropriate in this instance to invoke the emergency procurement procedures available under Section 14.2 of the Procurement of Goods and Services Policy and to issue purchase orders immediately, informing the Purchasing Division at the time and reporting to Council afterwards to explain the decision and reasons for it.

A summary of the purchases that were made that exceeded the limits established by the Procurement of Goods and Services Policy is identified in Table 1 below.

Table 1

Procurement	Vendor	Value	Justification
Merlo Crane with directional felling head and grapple	Green Tree Professional Tree Services	\$118,775	Allowed forestry to remove damaged trees quickly and safely to restore traffic and hydro
Wood and brush grinding	Tree Tech, Tree and Property Maintenance Specialists Inc.	\$90,368	Commercial land clearing equipment used to clear roads and subdivisions where trees were all down
	Total	\$209,143	

All other work required to respond to the storm damage was conducted by City forces, in accordance with the Procurement Policy or under the terms of existing contracts.

3.0 Financial Impact/Considerations

Costs associated with the severe storm were absorbed by the Forestry Operations operating budget as a one-time expense. The unexpected costs contributed to a year-end deficit position for the Forestry Operations business unit, off-set by surpluses in other Parks and Forestry business units.

The severe impact to the operational capacity of Forestry Operations rendered this situation an emergency and necessitated quick action on the part of staff and the City's contractor. Section 14.2 of the Procurement of Goods and Services Policy considers such a situation and enables staff to proceed as required to maintain operations through an emergency, with reporting to Council following the event. This report ensures compliance with Section 14.2 of the Policy

Forestry staff are reviewing operational needs to determine if additional staffing or equipment is required in the future, should a similar storm event occur.

Conclusion

The May 2022 storm event was a unique circumstance that required additional services and equipment beyond the day-to-day capacity of Forestry Operations. The prompt response by City staff and external contractors enabled the trimming and/or removal of damaged trees, addressing potential public safety impacts, clearing roadways and removing debris from roadsides and greenspaces throughout the city.

Prepared by: **Andy Beaton**
Manager, Forestry Operations

Submitted by: **Paul Yeoman, RPP, PLE**
Director, Parks and Forestry

Recommended by: **Kelly Scherr, P. Eng., MBA, FEC**
Deputy City Manager, Environment & Infrastructure

cc: Steve Mollon, Senior Manager, Procurement and Supply
 Manish Anjani, Financial Business Administrator, Finance Supports