

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON DECEMBER 15, 2015
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	APPEAL UNDER SECTION 2.9 OF THE PROCUREMENT OF GOODS AND SERVICES POLICY

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the appeal under Section 2.9 of the Procurement of Goods and Services Policy by G-Tel Engineering **BE DENIED**.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

None.

BACKGROUND

There is a dispute mechanism in the Procurement of Goods and Services Policy, Section 2.9, which allows for proponents to appeal to the Corporate Services Committee, which is the authorizing body, prior to Council final approval should they feel that there has been an injustice. Section 2.9 reads as follows:

“2.9 The City recognizes that mistakes and misunderstandings may occur; bidders may feel aggrieved and may seek to dispute the recommendation of an award of a contract. To maintain the integrity of the process, bidders who believe they have been treated unfairly can make this known by contacting the Manager of Purchasing and Supply prior to the award of the contract. Disputes shall be resolved as follows:

- a. A meeting between the bidder and the Manager of Purchasing and Supply;
- b. If (a) does not lead to a resolution between the bidder and the City, the bidder may appeal the decision to the City Treasurer;
- c. If (b) does not lead to a resolution between the bidder and the City, the bidder may appeal the decision to the Committee. Committee’s decision and City Council’s approval is final.”

There has been no appeals to the Committee during this term of Council and two to the previous Council term of which both were denied. Generally, proponents may not agree with the decision made, but understand the rationale for the decision upon review with either the Manager of Purchasing and Supply or the City Treasurer.

Request for Proposal (RFP) 15-59: Locate Services, closed November 24, 2015. The City received eight bid proposal submissions. Two bids did not acknowledge all addenda **as per the mandatory requirement in section 10.3 (a) of the RFP**. These two bids were rejected automatically as per Schedule C, item 7 of the Procurement of Goods and Services Policy. One of the rejected bidders, G-Tel Engineering, requested to meet with the City as per section 2.9 of the Policy. That meeting

took place on December 8, 2015 as a combined (a) and (b) meeting. The meeting failed to resolve the appeal as both parties' positions remained unchanged. Six remaining compliant bids remain to be evaluated by the City with a timeline that is now extremely compressed as a result of this appeal. March locates are estimated to be 1100-1500 by John Braam, City Engineer.

The RFP document is very clear **citing in six separate areas that failure to acknowledge all addenda will result in the bid being rejected.** The Procurement of Goods and Services Policy is also very clear in Schedule C item 7, that this type of non-compliant bid should be automatically rejected.

G-Tel is still not satisfied that their bid should be rejected and is appealing the decision to the Committee for their review.

PREPARED AND SUBMITTED BY:	CONCURRED BY:
JOHN FREEMAN, CSCMP MANAGER, PURCHASING AND SUPPLY	ANNA LISA BARBON, CPA, CGA DIRECTOR of FINANCIAL SERVICES
RECOMMENDED BY:	
MARTIN HAYWARD, BA, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	