

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee

From: Anna Lisa Barbon, CPA, CGA, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer

Subject: Procurement in Emergencies Update 3 – COVID -19

Date: March 29, 2021

Recommendation

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, as per section 14.2 of the Procurement of Goods and Services Policy, a report of Emergency non-competitive individual purchases which exceed \$50,000 (pre-taxes), that the City has made from the date of September 9, 2020 to January 31, 2021 due to COVID-19, **BE RECEIVED** for information, attached as Appendix "A".

Executive Summary

This report is the third since the Pandemic started in 2020. It is an update of Emergency Procurements as per section 14.2 of the Procurement of Goods and Services Policy from September 9, 2020 to January 31, 2021.

Linkage to the Corporate Strategic Plan

Council's 2019 – 2023 Strategic Plan for the City of London identifies "Leading in Public Service". This report is for transparency of procurements during the Pandemic.

Analysis

1.0 Background Information

1.1 Overview

The Procurement of Goods and Services Policy (the Policy) outlines the processes Civic Administration is to follow in order to obtain the best value when purchasing goods or contracting services for the Corporation of the City of London. In the event of an "Emergency", section 14.2 Procurement in Emergencies indicates that Civic Administration is permitted to purchase goods/services under "Emergency" conditions in a non-competitive manner. In this section, "Emergency" means:

"an event or occurrence that the City Manager or Managing Director deems an immediate threat to:

- *Public Health;*
- *The maintenance of essential City services; or*
- *The welfare and protection of persons, property, or the environment; and the event or occurrence necessitates the immediate need for goods or services to mitigate the emergency and time does not permit for a competitive procurement process."*

However, when section 14.2 is used, Civic Administration is required to follow defined protocols and then submit an informational report to Council. This protocol from the Policy is outlined below for reference.

“Where the procurement cost to mitigate the Emergency is anticipated to exceed \$50,000, there must be a notification sent (e-mail contact is acceptable) to the Manager of Purchasing and Supply (or delegate). The steps taken to mitigate the Emergency must always be clearly documented regardless of amount and where the aggregate costs for a single supplier are in excess of \$50,000, the emergency procurement shall be reported by the responsible Managing Director to Committee and City Council (including the source of financing) at the next scheduled meeting following the event. The Managing Director responsible for the area leading the emergency procurement must forward the appropriate purchase requisition(s) to the Manager of Purchasing and Supply within five (5) business days after the mitigation activities associated with the emergency event have been terminated.”

1.2 Previous Reports Related to this Matter

COVID-19 Financial Impacts and Additional Measures for Community Relief, Strategic Priorities and Policy Committee, April 28, 2020, Consent Item # 2.1

Homeless Prevention COVID-19 Response and Funding Overview, Community and Protective Services Committee, April 28, 2020, Consent Item # 2.3

Procurement in Emergencies – COVID-19, Corporate Services Committee, May 25, 2020, Consent Item # 2.3

Procurement in Emergencies – COVID-19, Strategic Priorities and Policy Committee, September 22, 2020, Consent Item # 2.5

2.0 Discussion and Considerations

2.1 COVID-19

The current pandemic, COVID-19, poses a unique state that continues for an unknown period of time. Although not required by the policy, in order to be fully transparent as the emergency continues, Civic Administration will bring forward regular reports of emergency procurements rather than wait till the end of the event.

Civic Administration has combined a list of the non-competitive purchases greater than \$50,000 (pre-taxes) made across Service Areas as a result of this pandemic. Appendix “A” provides list of procurements made under section 14.2 of the Policy to be received for informational purposes. The procurements made under section 14.2 have been consolidated into one report rather than bringing to Committee and Council multiple reports by Service Area.

2.2 Scope of Responsibility

This review is limited to the City of London only and does not include London Health Sciences Centre, Agencies, Boards and Commissions procurements.

3.0 Financial Impact/Considerations

3.1 Funding

The costs associated with these emergency procurements have been accommodated within the multi year budget. Many of these costs are likely to be eligible to claim through the Federal-Provincial Safe Restart Agreement funding and other funding received, while others have been offset by cost savings measures intended to offset the financial impacts of COVID-19.

Conclusion

This is an update and the third report on Procurements made using Section 14.2 Procurements in Emergencies of the Procurement of Goods and Services Policy. It is expected that another report will be brought forward in mid 2021 with further updates.

Acknowledgements

This report was prepared with the assistance of Purchasing and Supply Services, Facilities Division, and the Homelessness Prevention Services.

Submitted by: John Freeman, CSCMP, LSSGB
Manager, Purchasing and Supply

Concurred by: Ian Collins, CPA, CMA
Director, Financial Services

Recommended by: Anna Lisa Barbon, CPA, CGA
Managing Director, Corporate Services and
City Treasurer, Chief Financial Officer

Appendix "A"

List of Emergency Non-Competitive Purchases Greater than \$50,000 made between September 9, 2020 and January 31, 2021 as a Result of COVID-19 as per Section 14.2 of the Procurement of Goods and Services Policy.

Service Area	Supplier	Total Cost	Description
City Manager's	Guillevin International	\$88,270	Acquisitions of personal protective equipment masks. (Masks, Ear Loop Blue 50/box - Level 2)
Finance & Corporate Services	CIMCO Refrigeration	\$191,796	Energy Recovery Ventilator (ERV) units were required to provide safe indoor support spaces for winter operations staff and to comply with Covid-19 protocols. Several storage garages at various operation centres were converted for this need. Further a fix was required to the HVAC system at the Oakridge Arena as it is being used as an COVID-19 Assessment Centre.
Neighbourhood, Children and Fire Services	M&L Supply Fire & Safety	\$65,184	Personal protective equipment; SCBA adapters and filters.
Housing, Social Services & Dearness Home	Ark Aid Street Mission Inc	\$708,888	Staffing support for the Winter Response to provide case management support to individuals and families experiencing homelessness who are accessing Winter Response sites for temporary shelter.
Housing, Social Services & Dearness Home	Unity Project for the Relief of Homelessness in London	\$80,262	Fortify Security Costs. Security at Unity Project Emergency Shelter during closure, and additional security at temporary shelter site.
Housing, Social Services & Dearness Home	JOBI Construction Ltd.	\$419,451	Supply & Delivery & Retrofitting Trailers required for the Winter Response. Trailers used for temporary shelter space during winter months.
Housing, Social Services & Dearness Home	Impact London	\$373,010	Impact London provided staffing and oversight for City of London Isolation Space, front-line staffing support as part of Winter Response, and oversight at COVID-19 monitoring spaces.
Housing, Social Services & Dearness Home	20365595 Ontario Inc. (Affordable Buildings.ca)	\$154,500	Used 36'X60' Portable Building. Required for the Winter Response. Trailers used for temporary shelter space during winter months.
Total		\$2,081,361	Non-Competitive Purchases Greater than \$50,000 as per section 14.2.