

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON TUESDAY, MAY 28, 2013
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	ELECTRONIC BID DOCUMENT DISTRIBUTION FOR PROCUREMENT IMPLEMENTATION PLAN

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, this report outlining the transition from the current method of Electronic Bid Document Distribution via the City's Website to Biddingo, **BE RECEIVED** for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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None.

BACKGROUND

Discussion

Currently, the City of London has its own self-administered on-line bid system where potential bidders can view London's bid opportunities and download specified bid documents at no cost. London bids are currently advertised on the City's website. Bids are also advertised on the Ontario Public Buyers' Association (OPBA) website, where appropriate. The majority of London's bid documents for goods and services can be downloaded at no cost from the website, however, some construction tender documents and drawings are in paper format and must be purchased through the Purchasing & Supply.

The current practice is labour intensive due to staff time spent assembling paper documents, processing transactions and providing support to bidders for issues related to the London on-line bid system. The current process also requires a large amount of paper, increasing the document preparation cost. Staff identified the need to include construction tenders and drawings in electronic format which would reduce staff support costs and paper usage. Given the cost to upgrade and support London's on-line bid system, staff researched solutions available in the marketplace in Canada. The marketplace research identified two main vendors that currently provide on-line bid systems consistent with London's requirements. Based on the evaluation by staff, Biddingo best met London's requirements.

Once implemented, all London bids will be posted electronically on Biddingo. There will be a link provided from London's Purchasing section on our website to Biddingo.com. Prospective bidders have the ability to view all of London's bid advertisements on this website at no cost before they decide to purchase the document. They can subscribe to Biddingo by paying an annual fee of \$250 or they can obtain a trial subscription of 30 days and pay additional administrative fees for each document purchased. In exchange for the fee, suppliers can search through bid advertisements, receive automatic notifications of bid opportunities that match their profile and purchase and download bid documents.

Biddingo has a large municipal customer base (including Sarnia, Waterloo, Barrie, Burlington, Hamilton, Mississauga, Oakville and Niagara) with over 60,000 registered suppliers within the GTA alone. Based on these statistics, Biddingo.com is expected to increase the visibility of London's bids in the marketplace and therefore increase competition and value to the taxpayers due to the likelihood of receiving a higher number of quality bids.

The Biddingo.com system will provide more features than London's current on-line bid system at no cost to the City. Biddingo will also provide all website related customer service and technical support to bidders that are in compliance with the Ontario Website Accessibility Standards. Bid opportunities will continue to be advertised on other websites such as OPBA when appropriate. In order to minimize any risk to London with respect to service interruption, a comprehensive service level agreement and a contingency plan in the case of a service interruption are currently being prepared.

Public communication of the transition to Biddingo.com will include:

- a) a letter to vendors active in the last five years sent at Biddingo's expense;
- b) post a supplier notice on the City of London website;
- c) advertise in the Londoner.

Project Summary

The project will be implemented in three phases, with the first phase including the transition of all goods and services bids to Biddingo on September 3, 2013. The second phase will include the transition of construction documents and drawings for the Transportation Division to Biddingo.com on January 1, 2014. The implementation of the third and final phase will include construction documents and drawings for the Water and Wastewater Divisions and will occur approximately 6 to 8 weeks after Phase 2.

The ability to purchase documents at the Purchasing counter will continue to be made available to London vendors who choose not to subscribe to Biddingo.com.

Conclusion

The implementation of the Biddingo system will increase the exposure of London's bid documents and result in efficiencies for purchasing and technology support.

Scope of Responsibility

This informational report is limited to the City of London only and does not include Boards and Commissions procurement.

Financial Impact

None.

SUBMITTED BY:	REVIEWED AND CONCURRED BY:
JOHN FREEMAN MANAGER, PURCHASING & SUPPLY	MIKE TURNER DEPUTY CITY TREASURER
RECOMMENDED BY:	
MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	