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**For Information**

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**REPORT TITLE: Procurement Activity Report – T2 May 1 to August 31, 2022**

**FROM: Gary Kent, CPA, CGA, ICD.D, Chief Financial Officer and Commissioner of Corporate Services**

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**OBJECTIVE**

To provide the details of procurement activity as required by Procurement By-law 30-2018, as amended, for the second triannual period ending August 31, 2022.

**REPORT HIGHLIGHTS**

- The Procurement By-law delegates authority to staff to manage procurement processes and to report these activities to Regional Council on a regular basis.
  - Enhancements that reflect emerging public procurement trends and industry best practices, and that continue to embody the guiding principles of integrity, fairness, openness and transparency are also being reviewed.
  - During the second triannual period of 2022, the Region of Peel awarded 85 new contracts greater than \$100,000 with a total value of \$365,251,428.17.
  - This report provides a summary of the Region's procurement and disposal activity for the second triannual period of 2022.
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**DISCUSSION**

**1. Background**

The Procurement By-law (By-Law) requires that staff report to Regional Council regularly on procurement activity. The purpose of this report is to provide Regional Council with a summary of the procurement activity for the second triannual period (T2) of 2022, including awards made under delegated authority. Procurement activity is reported under the following categories (definitions in connection with the terms referenced below are contained in Appendix I of this report):

- Contract awards;
- Disposal of surplus goods and equipment;
- Emergency purchases (including COVID-19);
- Awards during Regional Council recesses;
- Non-compliance with the By-Law;
- Emergency purchase Increases;
- Unforeseen circumstances;
- Final contract payments related to the original purchase contract; and,
- Vendor of Record purchases.

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### **2. Key Highlights**

During the prolonged state of emergency, with Council's support and approval of Reports titled Procurement Response to COVID-19 (January 14, 2021) and Emergency Procurement of Goods and Services (March 10, 2022), the emergency procurement process became more flexible, effective and provided a greater formalized approval process with increased spend control despite the level of market instability and uncertainty. Utilizing the lessons learned over the past two years, strategic sourcing strategies that meet the immediate and extended emergency procurement needs of the Region have been developed and will ensure that the Region is proactively prepared for any future emergencies.

The amended emergency procurement procedure will be captured in the Region's regular five-year Procurement By-law review, which has already commenced. Further enhancements that reflect emerging public procurement trends and industry best practices, and that continue to embody the guiding principles of integrity, fairness, openness and transparency are also being reviewed.

The By-Law review, Enterprise Resource System project and various other initiatives are all being undertaken to:

- Maintain trust and confidence in the stewardship of public funds through objective, fair, transparent and efficient procurement processes;
- Promote effective use of funds allocated by Regional Council through procurement methods, disposals and decisions that achieve best value for money;
- Ensure procurement processes that are in compliance with applicable legislation and trade agreements and that have regard for social, environmental and economic factors in the acquisition of goods and services;
- Enhance customer service; and,
- Create efficient, effective, and modernized services.

### **3. Procurement Activity and Disposal Summary – T2 2022**

The table below provides a summary of the procurement and disposal activity for the second triannual period of 2022 (May 1- August 31). The Procurement Activity section of the table includes information on all awarded contracts in excess of \$100,000; emergency purchases; non-compliant purchases; vendor of record purchases; and, awards made during periods of Regional Council recess. It also includes amendments made to existing contracts under delegated authority section 5.11.8 of the By-Law for emergency procurements as well those that were a result of unforeseen circumstances or were required for final payment purposes, as authorized under the By-Law. The Procurement Activity summary excludes contract renewal activity. A detailed listing of all procurement activity is referenced in Appendix II to this report.

The Disposal activity section summarizes the proceeds or trade-in values received from the disposal of Region of Peel surplus assets. A detailed listing of the disposal activity is referenced in Appendix III to this report.

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<b>Procurement Activity</b>	<b>Value</b>
Competitive contracts approved under Delegated Authority (Procurement By-Law 30-2018, section 5.1)	\$359,543,875.07
Non-competitive contracts approved by Council (Procurement By-Law 30-2018, section 5.2)	\$5,707,553.10
Contracts awarded during Council recess (Procurement By-Law 30-2018, section 5.8)	No Activity
<b>Total New Contracts Greater Than \$100,000</b>	<b>\$365,251,428.17</b>
Emergency purchases (Procurement By-Law 30-2018, section 5.2.4)	\$3,610,147.65
Emergency purchases related to COVID-19 (Procurement By-Law 30-2018, section 5.2.4)	No Activity
Established Vendor of Record purchases (Procurement By-Law 30-2018, section 5.1)	\$4,025,433.36
Final contract payments (Procurement By-Law 30-2018, section 5.6)	\$294,088.09
Unforeseen circumstances (Procurement By-Law 30-2018, section 5.6)	No Activity
Non-compliant purchases (Procurement By-Law 30-2018, section 4.6)	No Activity
Emergency purchase increases approved under delegated authority (Procurement By-Law 13-2022, section 5.11.8)	\$1,026,405.00
<b>Total Activity</b>	<b>\$374,207,502.27</b>
<b>Disposal Activity (Procurement By-Law 30-2018, section 6)</b>	
Total disposal proceeds received	<b>\$155,798.38</b>
Total trade-in values received	<b>\$93,550.28</b>
Total Donations – estimated value	<b>\$10,000</b>

In addition, a total of 52 contracts with a cumulative value of \$2,597,437.34 each valued at \$100,000 and under were procured during the reported period (does not include above noted emergency purchases that are equal to or less than \$100,000).

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### CONCLUSION

The Procurement By-law builds trust and confidence in the stewardship of public funds with an emphasis on awarding contracts based on best value. Continuous improvement and modernization efforts undertaken in connection with the Region's Procurement program build on these principles to continually measure and assess the effectiveness of the Region's procurement program and enhance value for money.

This report is submitted to summarize the Region's procurement and disposal activity for the second triannual period ending August 31, 2022, in accordance with the reporting requirements set out in the Procurement By-law, and to provide key highlights observed during the period arising from the continuous improvement and modernization initiatives undertaken by the Region's Procurement Division.

### APPENDICES

Appendix I - Definitions

Appendix II - Awarded Contracts – T2 2022

Appendix III - Disposal – T2 2022

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