
For Information

REPORT TITLE: Procurement Activity Report – T3 September 1 to December 31, 2023

FROM: Patricia Caza, Regional Solicitor and Commissioner of Legislative Services

OBJECTIVE

To provide the details of procurement activity as required by Procurement By-law 45-2023 for the third triannual period ending December 31, 2023.

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.
 - Until such time as transition details related to the *Hazel McCallion Act (Peel Dissolution) 2023* are made clear, staff will continue to adhere to the Council approved Guiding Principles for the continued delivery of services.
 - 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 third triannual period of 2023, the Region of Peel awarded 62 new contracts greater than \$100,000 with a total value of \$177,508,223.74.
 - This report provides a summary of the Region’s procurement and disposal activity for the third triannual period of 2023.
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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 third triannual period (T3) of 2023, 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;
- Awards during Regional Council recesses;
- Non-compliance with the By-Law;

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- Emergency purchase increases;
- Unforeseen circumstances;
- Final contract payments related to the original purchase contract; and,
- Vendor of Record purchases.

2. Key Highlights

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 being reviewed. These include, the By-Law review, which resulted in a new Procurement By-law enacted by Council on October 12, 2023, and various other initiatives. All are 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.

A Sustainable Procurement policy has been adopted, which supports Peel's service enhancement of reducing greenhouse gas emissions to help lessen the impacts of climate change. A process has begun to use annual spend data to calculate and track carbon generated within the supply chain for all purchases made by the Procurement Division. This assists and encourages the organization to incorporate sustainable considerations into project planning, contract and purchase decisions, and specification development.

The methodology to calculate greenhouse gas emissions generated from Peel's supply chain uses an emission factor applied to categorized purchases. This represents the amount of carbon dioxide equivalent per dollar spend. Multiplying the spend with the specific emission factor provides the greenhouse gas emissions associated with the purchase. The process to analyze and report on this information is currently being developed and will be brought forward in future.

3. Procurement Activity and Disposal Summary – T3 2023

The table below provides a summary of the procurement and disposal activity for the third triannual period of 2023 (September 1- December 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 that were a result of unforeseen circumstances, were required for final payment purposes, market volatility/rising inflation and additional costs on emergency purchases 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.

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

Procurement Activity	Value
Competitive contracts approved under Delegated Authority	\$175,354,792.85
Non-competitive contracts approved by Delegated Authority	\$1,179,765.89
Non-competitive contracts approved by Council	\$973,665.00
Contracts awarded during Council recess	No Activity
Total New Contracts Greater Than \$100,000	\$177,508,223.74
Non-compliant purchases	No Activity
Emergency purchases	\$993,124.44
Digital Strategy purchases (Resolution #2015-71)	\$2,271,906.71
Established vendor of record rosters	\$6,337,303.21
Unforeseen circumstances amendments	No Activity
Final contract payment amendments	No Activity
Emergency purchase amendments	\$848,170.40
Market volatility/rising inflation amendments	\$191,438.19
Total Activity	\$188,150,166.69
Disposal Activity	
Total disposal proceeds received	\$81,463.62
Total trade-in values received	\$121,462.50
Total Donations – estimated value	\$43,848.00

In addition, a total of 42 contracts with a cumulative value of \$2,100,705.36 each valued at \$100,000 and under were procured during the reported period (does not include above noted purchases that are equal to or less than \$100,000).

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BILL 112 RISKS AND IMPLICATIONS

On June 8, 2023, the Province passed Bill 112, the *Hazel McCallion Act (Peel Dissolution), 2023* that will dissolve the Region of Peel and make the Cities of Brampton and Mississauga and the Town of Caledon single-tier municipalities, effective January 1, 2025. The legislation provides for the establishment of a Transition Board to make recommendations on implementing the restructuring. On December 13, 2023, the Province announced that legislation will be introduced in early 2024, that, if passed, would mean Peel Region will not be dissolved and would also recalibrate the mandate of the Transition Board to focus on options to support building more homes faster and improve local service delivery. Details of the proposed legislation, including matters as they relate to existing Regional roles and responsibilities are not known at this time and are to be addressed in future reporting to Regional Council.

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 third triannual period ending December 31, 2023, 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 – T3 2023
Appendix III - Disposal – T3 2023



Patricia Caza, Regional Solicitor and Commissioner of Legislative Services

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