



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Bethany Yew, Manager of Purchasing

DATE: December 9, 2024

REPORT NO.: CS-2024-042

SUBJECT: 2025 Single & Sole Source Awards and Standardization Approval

RECOMMENDATION:

THAT Report No. CS-2024-042 dated December 9, 2024 regarding 2025 Single & Sole Source Awards and Standardization Approval be received;

AND FURTHER THAT the 2025 Single & Sole Source requests be awarded as per the list of suppliers attached as Appendix A, subject to budget approval;

AND FURTHER THAT the 2025 Standardization products be approved as the Town's standard as per the list of products attached as Appendix B, subject to budget approval;

AND FURTHER THAT the Manager of Purchasing be authorized to issue purchase orders in the amount indicated in the list of vendors as outlined in Appendix A, plus HST;

AND FURTHER THAT the Manager of Purchasing be authorized to issue purchase orders for the approved standardized products until the products become redundant or are superseded by a new technology or processes;

AND FURTHER THAT Council authorize the Mayor and Clerk to execute the necessary documents for requested Award and Approval list, where required.

KEY POINTS:

The following are key points for consideration with respect to this report:

- The Purchasing Policy requires an open, fair and transparent process for procuring goods and services, however there may be instances where it might be feasible

for the Town to source the purchase with a particular vendor, either through Single or Sole sourcing. An inclusive list of these exceptions to the competitive bid process may be found within the Purchasing Policy (PLCY-2022-0003) - Schedule I.

- Under the same Schedule I, Standardization is the adoption of a single product or group of products to be used by one department or more departments over a period of time. If a change of Vendor for such goods and services cannot be made for economic or technical reasons and would cause significant inconvenience or substantial duplication of cost for the Town.
- In compliance with the purchasing policy, a single source, sole source and standardization of product purchase greater than \$50,000 (including tax), must be approved by Council.
- Departmental staff were consulted to determine their requirements until the end of 2024 and their expected requirements for 2025.
- Purchasing also examined previous years' single and sole source reports and consulted with departmental staff to compile a list of products that is deemed a standardized item.
- On behalf of all departments, Purchasing has amalgamated staff requests for Council's authorization to purchase from the vendors listed in Appendix A and B, included as part of this report.

BACKGROUND AND DISCUSSION:

This report is being submitted for Council's authorization on the various items listed in Appendix A – Single or Sole Source Awards and Appendix B – Standardization Approval. In certain infrequent and/or unique circumstances, it would not be reasonable either due to time constraints, or the exclusive ability of vendors, to go through a competitive process for the Town's procurement activity. Outlined in Appendix A are the vendors that the Town would like to enter into direct negotiation for the goods/services described and issue purchase orders, subject to budget approval.

The Council-approved Purchasing Policy is to ensure an open, objective and competitive process for procuring goods and services at the Town. However, the Policy also allows for circumstances where it might be prudent for the Town to purchase goods or services with one particular vendor, and for Purchasing to negotiate the best possible price. The following are some examples when it may be practical to single or sole source with a vendor:

- Where there is a need for time-sensitive goods or services such as vehicle repairs, which require a fast turnaround time that would otherwise not be possible if staff were required to visit multiple vendors for estimates;
- Where there is only one source of supply for the goods or services for items which are proprietary;
- Where there is a need to maintain specialized products that shall be maintained by the manufacturer or its' authorized representative e.g. heavy motor vehicles;

- Where there is an imposed geographic limit on the availability of supply base, e.g. asphalt; or
- Where, in the judgment of the manager, goods are considered to be in short supply due to market conditions or needed because of a declared emergency.

Within the same Schedule I, Standardization encompasses the adoption of a singular product or a group of products, intended for utilization by one or more departments over a period of time. In many cases, a competitive bidding process has been conducted and the departmental staff express a desire to continue utilizing the products beyond the initial contract term and until it becomes redundant or is superseded by a new technology or processes. The commitment stems from where the replacement of a vendor for these goods or services cannot be made for economic or technical reasons and would cause significant inconvenience or substantial duplication of cost for the Town. The following are some examples when it may be practical to standardize a product:

- Where the Town has already made substantial investments (implementation, training, communication, deployment) in a program or application for a specific department, business group, town-wide employees, or residents, and the said program or application has consistently met service level expectations or requirements. In such cases, the ongoing expenditure primarily pertains to licensing, maintenance and support fees.
- Where equipment and hardware need to be interoperable to ensure compatibility and ease to manage and maintain.
- Where the application is deemed as the Town's Enterprise application system designed to support core business processes (such as Financial, Purchasing, Facilities, Building Management, Engineering, Operations, etc.), normally integrate and share common information flows, reporting systems and data analytic. As such, they tend to be robust complex systems that require significant planning and strategy to be replaced.

A more inclusive list of exceptions to the competitive bid process can be found within the Purchasing Policy - Schedule I.

All single source, sole source and standardization purchases over \$50,000 including tax must be approved by Council. In order to streamline the process and reduce the number of reports going to Council, an annual list of vendors has been developed to capture known single and sole source requirements anticipated for 2025. Purchasing diligently examined the single and sole source reports and requirements from previous years, and consulted with department staff to compile a list of products that are better suited to be categorized under the standardization item category.

The amounts are estimated but will remain within the individual department's budget. As a result, departments are requesting a single and sole source designation for their suppliers listed in Appendix A, standardization designation for their suppliers listed in

Appendix B and the ability to issue purchase orders for any requirements within these limits.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town's Strategic Plan.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

All departments were consulted and provided input in this report.

FINANCIAL IMPLICATIONS:

This report will be funded through an existing approved budget source.

Reviewed and approved by,

Joseph Vandermeer, Deputy Treasurer & Senior Manager of Accounting and Taxation

Moya Jane Leighton, Treasurer

Laura Lancaster, Commissioner of Corporate Services

Chris Mills, Chief Administrative Officer