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## Report 2024-075

**Report Title:** Procurement Activity Quarterly Report – Quarter 1, 2024

**Committee Name:** Finance and Audit

**Committee Meeting Date:** June 4, 2024

**Prepared by:** Carl Bonitto  
Manager of Procurement and Risk Management Services  
Finance

**Reviewed by:** Matthew Nitsch  
Acting Director of Finance/Treasurer  
Finance

**Approved by:** Jennifer Moore, CAO

**Council Meeting Date:** June 19, 2024

**Strategic Plan Priorities:**  Innovate for Service Excellence  
 Ignite Economic Opportunity  
 Foster a Thriving Community  
 Propel Sustainable Growth  
 Champion a Vibrant Future

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### Information Report

**That** the Finance and Audit Committee, receive Report 2024-075 'Procurement Activity Quarterly Report – Quarter 1, 2024' for information, noting that the Procurement By-law 21-2022 under section 4.2.2 requires the Purchasing Manager to provide a quarterly report to County Council that includes itemization of all purchases between \$100,000 and \$1,000,000; and include any over budget approvals up to 10% as authorized under section 6.2; and

**Further That** the Committee recommend that County Council receive this report for information."

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## **Purpose**

To provide details of procurement activity for all purchases between \$100,000 and \$1,000,000 as required by Purchasing By-law 21-2022 for the first quarter ending March 31, 2024.

## **Background**

In accordance with Procurement By-law 21-2022 section 4.2.2 the Purchasing Manager is required to provide a quarterly report to Council that includes itemization of all purchases between \$100,000 and \$1,000,000 with a description of each purchase inclusive of actual cost and budget. The Procurement By-law delegates authority to staff to manage the procurement process for contract awards under \$1,000,000 notwithstanding that:

- No contract award may be approved unless funded within the Council approved budget or as authorized by the CAO and Treasurer up to 10% over of the bid total to a maximum of \$100,000 and the procurement process was conducted in accordance with this By-law and all applicable procedures and protocols.
- No contract may be entered into, either through the issuance of a purchase order or the execution of a legal agreement, unless within the approved Council budget in an amount sufficient to cover the procurement value is available and the contract award has been approved in accordance with this By-law and all applicable procedures and protocols.

Procurement By-law 21-2022 requires staff to obtain Council approval if:

- The procurement value exceeds the approval limits of delegated procurement authorities set out in Appendix 4 of this By-law; or
- Any of the conditions of delegated procurement authorities, as set out in section 6.2 of this By-law, have not been met; or
- There is an irregularity or unresolved challenge in connection with the Procurement Project and, in the opinion of the CAO, in consultation with the Purchasing Manager, the award of the contract is likely to expose the County to significant legal, financial, or reputational risk.

## **Consultations**

Consultations occur on a regular basis with Member Municipalities via the Northumberland Treasurers Joint Purchasing Group and other joint departmental groups to ensure any opportunities for shared purchases are explored and pursued.

## **Legislative Authority/Risk Considerations**

Procurement activities are conducted in compliance with all relative legislation, acts and trade agreements such as the Municipal Act, the Canadian Free Trade Agreement and the Comprehensive Economic and Trade Agreement.

## **Discussion/Options**

The bids listed in this report were issued in accordance with the County's Procurement By-law 21-2022.

These bids were received at the proper time and place and were opened through the online bidding system. The bids were checked and verified for accuracy. The bid total is provided in the table below.

A total of eight (8) bids were posted on the County Purchasing website in the first quarter and One (1) bid awarded by staff that was between \$100,000 and \$1,000,000 is as follows:

<b>Bid #</b>	<b>Description</b>	<b>Company</b>	<b>2023 Budget \$</b>	<b>Bid Results Inc. Unrecoverable HST \$</b>	<b>Surplus / (Deficit) \$</b>	<b>Comments</b>
24-33	RFQ – For two (2) Combination Snowplows	Windslow Gerolamy	\$920,000.00	\$937,982.75	(\$17,982.75)	County Council approved tendering the Snowplows in 2024, given the extensive lead times, the units will not be received until the latter part of 2025. The deficit will be funded from the transportation capital reserve.

## **Financial Impact**

See chart above.

## **Member Municipality Impacts**

Many of the purchases completed in Q1 have a piggyback clause which allows all Member Municipalities to acquire goods/services based upon contract awards.

## **Conclusion**

To maintain trust, confidence, and transparency in the stewardship of public funds and the County's Purchasing program, this report is being submitted to provide a summary of the County's procurement activity for the first quarter period ending March 31, 2024, in accordance with the reporting requirements set out in the Procurement By-law 21-2022.

## **Attachments**

N/A