

Procurement of Emergency Goods and Services in Response to the COVID-19 Pandemic

Date: August 18, 2020

To: General Government and Licensing Committee

From: Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to advise on the emergency non-competitive procurements of goods and services that are over \$500,000 in value that were processed by the Purchasing and Materials Management Division on behalf of various divisions relating to the City of Toronto's response to the COVID-19 Pandemic Emergency (COVID-19). Section 195-7.4B of Chapter 195, Purchasing, requires that any emergency non-competitive over the value of \$500,000 must be reported to Council for information.

The City entered into 28 emergency non-competitive contracts over the value of \$500,000 between March 16 and July 31, 2020. The total value of these emergency non-competitive contracts is 55,155,094.68, net of HST (\$56,125,824.35, net of HST recoveries).

To provide a complete picture, PMMD also processed 57 emergency non-competitive contracts \$500,000 and less during the same time period. The total value of these non-competitive contracts is \$13,766,718.85, net of HST (\$14,009,013.10, net of HST recoveries).

As the City continues to support COVID-19, additional emergency non-competitive procurements may be processed. A follow up report may be submitted in the 1st Quarter 2021 to summarize any further emergency procurements processed that are over \$500,000 in value from August 1 to December 31, 2020.

RECOMMENDATIONS

The Chief Procurement Officer recommends that:

1. City Council receive this report for information.

FINANCIAL IMPACT

A total of 20 non-competitive emergency contracts and 8 emergency amendments to existing contracts all over \$500,000 were issued between March 16, 2020 and July 31, 2020 for a total value of \$55,155,094.68, net of HST (\$56,125,824.35, net of HST recoveries).

The Chief Financial Officer has reviewed this report and agrees with the financial impact information

DECISION HISTORY

There is no specific decision history in relation to these emergency non-competitive contracts.

COMMENTS

Since early March, Divisions had to enter into emergency non-competitive contracts in order to be able to respond to COVID-19. Emergency non-competitive procurements can be entered into even if the City is not under a state of emergency.

The Purchasing and Materials Management Division was engaged to process emergency requirements for various division addressing emergencies within their operations. Emergency purchase orders and blanket contracts were issued to suppliers to ensure sufficient resources (goods and services) were acquired during the pandemic to support the City's activation of the emergency response, to maintain essential and critical services across the City, and to support the ongoing recovery process. This included ensuring that Personal Protective Equipment (PPE) was acquired for the PMMD warehouse inventory in order to be issued to divisions as required to support their essential and critical operations.

In some instances divisions identified the need to amend their procurements to support the changing requirements of COVID-19 due to unforeseen circumstances. As a result, Divisions continued to work with PMMD to identify amendments to existing purchase orders and blanket contracts to ensure new or changing emergency requirements were supported and that suppliers providing goods and/or services to the City were being paid for authorized work.

Section 195-7.4B of Chapter 195, Purchasing, requires that any emergency non-competitive over the value of \$500,000 must be reported to Council for information. Table 1 sets out the number of emergency non-competitive procurements over \$500,000 and any contract amendments over \$500,000 entered into between March 16 and July 31, 2020.

Table 1 - Summary of Emergency Non-Competitive Procurements over \$500,000 - March 16 and July 31, 2020

	# of Non-Competitive Procurements	Dollar Value Net of HST	Dollar Value Net of HST Recoveries
Purchase Orders and Blanket Contracts	20	\$48,990,647.78	\$49,852,883.18
Amendments	8	\$6,164,446.90	\$6,272,941.17
Total \$ Value of Purchase Orders and Blanket Contracts	28	\$55,155,094.68	\$56,125,824.35

Attachment 1 sets out the number of emergency non-competitive contracts over \$500,000 entered into by Divisions.

To give a more fulsome picture of the amount of emergency non-competitive procurements entered into in response to COVID-19, Table 2 sets out the number of non-competitive contracts \$500,000 and less that were entered into between March 16 and July 31, 2020.

Table 2 - Summary of Emergency Non-Competitive Procurements \$500,000 and less - March 16 and July 31, 2020

	# of Non-Competitive Procurements	Dollar Value Net of HST	Dollar Value Net of HST Recoveries
Purchase Orders and Blanket Contracts	55	\$13,634,909.45	\$13,874,883.86
Amendments	2	\$131,809.40	\$134,129.25
Total \$ Value of Purchase Orders and Blanket Contracts	57	\$13,766,718.85	\$14,009,013.10

Attachment 2 sets out the number of emergency non-competitive contracts less than \$500,000 entered into by Divisions.

Table 3 summarizes the type of emergency procurements of any value.

Table 3 - Summary of Emergency Non-Competitive Procurements by type of goods and services - March 16 and July 31, 2020

Description	# of Non-Competitive Procurements	Dollar Value Net of HST	Dollar Value Net of HST Recoveries
Personal Protective Equipment	18	\$38,242,700.14	\$38,915,771.66
Cleaning Services	3	\$6,883,944.00	\$7,005,101.41
Nursing Services	6	\$4,400,000.00	\$4,477,440.00
Software	6	\$4,076,790.88	\$4,148,542.40
Medical Equipment	4	\$2,002,949.30	\$2,038,201.21
Medical Supplies	7	\$1,850,448.00	\$1,883,015.88
COVID Screening Services	4	\$1,750,000.00	\$1,780,800.00
Equipment Rental	6	\$1,423,845.61	\$1,448,905.29
Catering Services	4	\$1,371,946.90	\$1,396,093.17
Health Support Services	2	\$1,091,352.00	\$1,110,559.80
Disinfection Equipment	3	\$877,959.00	\$893,411.08
Equipment	4	\$632,743.70	\$643,879.99
Disinfection Services	1	\$500,000.00	\$508,800.00
Security System	1	\$500,000.00	\$508,800.00
Vehicles	1	\$500,000.00	\$508,800.00
Security Services	1	\$480,000.00	\$488,448.00
Courier Services	1	\$450,000.00	\$457,920.00
Lubricating Oils	1	\$442,000.00	\$449,779.20

Description	# of Non-Competitive Procurements	Dollar Value Net of HST	Dollar Value Net of HST Recoveries
Consulting Services	3	\$419,200.00	\$426,577.92
Rental Equipment	3	\$268,500.00	\$273,225.60
Preventative Maintenance Medical Equipment	1	\$252,463.00	\$256,906.35
Professional Services	1	\$210,600.00	\$214,306.56
Computer Equipment	1	\$196,701.00	\$200,162.94
Health Surveillance Services	1	\$80,000.00	\$81,408.00
Testing Services	2	\$17,670.00	\$17,980.99
Total \$ Value of Goods and Services	85	\$68,921,813.53	\$70,134,837.45

All emergency non competitive procurements were followed in accordance with Municipal Code, Chapter 195, Section 195-7.4. The total value of emergency non-competitive procurement purchase orders and blanket contracts combined as at July 31, 2020 for the COVID-19 response is \$68,921,813.53 net of HST (\$70,134,837.45, net of HST recoveries).

Where feasible to do so, legal agreements were negotiated, qualified suppliers were required to submit proof of appropriate insurance, a current Workers Compensation Insurance Board (WSIB) Clearance Certificate and a signed Statutory Declaration confirming compliance under the Ontario Occupational Health and Safety Act, where applicable.

The Fair Wage Office approval process was applied to each procurement for the suppliers that were issued purchase orders or blanket contracts with the City.

CONTACT

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SIGNATURE

Mike Pacholok, J.D,
Chief Procurement Officer

ATTACHMENTS

Attachment 1 - Summary of Emergency Non-competitive contracts over \$500,000 entered into by Divisions.

Attachment 2 - Summary of Emergency Non-competitive contracts under \$500,000 entered into by Divisions

Attachment 1 - Summary of Emergency Non-competitive contracts over \$500,000 entered into by Divisions

Division	Description	Total Value (Net of HST)
Corporate Real Estate Management	For the provision of additional recurring and project cleaning and disinfection services were required at various locations across the City to support SSHA and SSLTC.	\$4,621,691.00
Corporate Real Estate Management	For the provision of additional recurring and project cleaning and disinfection services were required at various locations across the City to support SSHA and SSLTC. *	\$1,534,527.00
Corporate Real Estate Management	For the provision for COVID-19 Screening Services throughout the City of Toronto.	\$750,000.00
Corporate Real Estate Management	For the provision of additional recurring and project cleaning and disinfection services were required at various locations across the City to support SSHA and SSLTC.	\$727,726.00
Office of Emergency Management	For the provision of Operational and Personnel Support Services	\$841,352.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of surgical ear loop masks, and nitrile medical powder free gloves.	\$27,247,495.30
Purchasing and Materials Management - Stores	For the provision of the supply & delivery of surgical earloop masks.	\$2,250,000.00

Division	Description	Total Value (Net of HST)
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of the Barrier Isolation Gowns and Nitrile Gloves.	\$1,586,650.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of Level 2 Isolation Gowns.	\$1,440,000.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of Medical Disposable Faceshields.* *	\$1,357,500.00
Purchasing and Materials Management - Stores	For the provision of the emergency supply and delivery of Reusable Face Masks. *	\$927,500.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of Hand Sanitizer. *	\$920,000.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of Face Shields.	\$900,000.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of the Face Shields.	\$609,000.00

Division	Description	Total Value (Net of HST)
Shelter, Support and Housing Admin.	For the provision of nursing and peer support services. *	\$3,000,000.00
Shelter, Support and Housing Admin.	For the provision of the supply of catering services across multiple locations for SSHA.*	\$1,061,946.90
Technology Services	For the provision of security software.	\$1,908,280.92
Technology Services	For the provision of hardware and software required to enable portal access and bandwidth. *	\$1,006,994.76
Technology Services	For the provision of various types of symantec licenses for various city divisions.	\$747,440.00
Toronto Paramedic Services	For the provision of the supply, delivery and warranty of portable ventilators.	\$1,716,990.80
Total Number of Contracts and Value	28	\$55,155,094.68

* Total dollar value includes amendments, as indicated in Table 1.

Attachment 2 - Summary of Emergency Non-competitive contracts under \$500,000 entered into by Divisions

Division	Description	Total Value (Net of HST)
City Manager's Office	For the provision of consulting services to assist the City in leading the COVID-19 Recovery and Rebuilding efforts.	\$259,200.00
Corporate Real Estate Management	For the provision of COVID-19 Screening Services throughout the City of Toronto	\$500,000.00
Corporate Real Estate Management	For the provision of COVID-19 Screening Services throughout the City of Toronto	\$500,000.00
Corporate Real Estate Management	For the provision of security services to support ongoing operations.	\$480,000.00
Corporate Real Estate Management	For the provision of the supply and rental of tents for various City locations. *	\$200,000.00
Corporate Real Estate Management	For the provision of the supply and delivery of stanchions and sign holders.	\$68,500.00
Corporate Real Estate Management	For the provision of the supply and delivery of fire extinguishers.	\$20,000.00
Fire Services	For the provision of the supply and delivery of N95 filters & G1 face piece kits.	\$239,096.00

Division	Description	Total Value (Net of HST)
Fire Services	For the provision of the supply and delivery of portable air conditioning units.	\$59,000.00
Fleet Services	For the provision of the supply & delivery of passenger vehicles.	\$500,000.00
Fleet Services	For the provision of vehicle disinfection services.	\$500,000.00
Fleet Services	For the provision of the supply and delivery of various lubricating oils, transmission fluids, hydraulic oils, gear oils and greases.	\$442,000.00
Office of Emergency Management	For the provision of support services required to operate emergency cooling centres since most publicly accessible cool spaces available through the City's Heat Relief Network.	\$250,000.00
Office of Emergency Management	For the provision of consulting services required for the After-Action review.	\$25,000.00
Parks, Forestry & Recreation	For the provision of the supply & installation of 105 single sinks, manual foot pumps, Hand Washing Stations.	\$367,850.00

Division	Description	Total Value (Net of HST)
Parks, Forestry & Recreation	For the supply & installation of 36 lockable portable toilets with Hand Sanitizer Dispensers.	\$154,798.08
Parks, Forestry & Recreation	For the supply & installation of 3 Portable Toilets with Sinks.	\$152,895.37
Parks, Forestry & Recreation	For the provision of the supply and installation of 12 Chemical, Lockable Portable Toilets.	\$48,302.16
Pension, Payroll & Employee Benefits	For the provision of cognitive behaviour therapy services.	\$150,000.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of disinfectant wipes.	\$500,000.00
Purchasing and Materials Management - Stores	For the supply and delivery of Disposable Medical Faceshields.	\$487,500.00
Purchasing and Materials Management - Stores	For the supply and delivery of full Faceshields with Elastic Band. *	\$426,809.40
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of re-usable washable solution gowns.	\$400,800.00

Division	Description	Total Value (Net of HST)
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of surgical earloop masks.	\$214,000.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of hand sanitizer, liquid 70%, 118ml	\$174,182.40
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of 75800P100 Filters.	\$156,349.44
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of non-contact infrared thermometers.	\$140,800.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of hand sanitizer gel 70% 236ml.	\$123,065.60
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of Alcohol, 75%, Wipes.	\$98,000.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of Victory Backpack Disinfectant Sprayers.	\$85,206.00
Purchasing and Materials Management - Stores	For the provision of the supply and delivery of non-contact infrared thermometers.	\$35,200.00
Purchasing and Materials Management - Stores	For the provision of quality assurance testing services.	\$11,370.00

Division	Description	Total Value (Net of HST)
Purchasing and Materials Management - Stores	For the provision of infrared thermometer testing services.	\$6,300.00
Seniors Services and Long-Term Care Services	For the provision of nursing support services.	\$250,000.00
Seniors Services and Long-Term Care Services	For the provision of the supply and delivery of frozen kosher meals.	\$60,000.00
Seniors Services and Long-Term Care Services	For the provision of the supply and delivery of medical equipment.	\$51,422.00
Shelter, Support and Housing Admin.	For the provision of nursing and peer support services.	\$500,000.00
Shelter, Support and Housing Admin.	For the provision of the installation and rental of air conditioning units and generators at the Better Living Centre	\$500,000.00
Shelter, Support and Housing Admin.	For the provision of the supply and install of new security technology at new shelter facilities.	\$500,000.00
Shelter, Support and Housing Admin.	For the provision of nursing and peer support services.	\$500,000.00
Shelter, Support and Housing Admin.	For the provision of catering services across for various locations.	\$250,000.00

Division	Description	Total Value (Net of HST)
Shelter, Support and Housing Admin.	For the provision of the supply & rental of a modular office to support the 24-hour response at the Better Living Centre	\$200,000.00
Technology Services	For the provision of the supply of check point appliance with support services to enable City Staff working from home.	\$308,475.20
Technology Services	For the provision of the supply and delivery of tokens and licenses to enable City Staff work from home.	\$196,701.00
Toronto Paramedic Services	For the provision of the Disinfecting Spray Services.	\$491,568.00
Toronto Paramedic Services	For the provision of the supply, delivery & associated services required for the purchase of CleanFlow HealthCare Mini Complete.	\$301,185.00
Toronto Paramedic Services	For the provision of inspection and preventative maintenance services for patient handling equipment on Ambulances.	\$252,463.00
Toronto Paramedic Services	For the provision of the supply of ten (10) Nocospray systems with accessories.	\$93,736.50
Toronto Public Health	For the provision of courier services required from 277 Victoria Street to COT residents' home locations.	\$450,000.00

Division	Description	Total Value (Net of HST)
Toronto Public Health	For the provision of professional services required for the implementation of the province's new case and contact management system and for the continued implementation and modification of the TPH's COVID-19 Rapid Entry System Support Response.	\$210,600.00
Toronto Public Health	For the provision of consulting services required to assist in supporting the City of Toronto's recovery strategy with regards to COVID-19 and the easing of public health measures.	\$135,000.00
Toronto Public Health	For the provision of pandemic surveillance services.	\$80,000.00
Toronto Water	For the provision of the supply and delivery of meter transmission units.	\$412,253.70
Transportation Services	For the provision of the supply and delivery of 200 Barracuda Barriers required to support of the city's ActiveTO initiative.	\$141,490.00
Total Number of Contracts and Value	57	\$13,766,718.85

* Total dollar value includes 2 amendments, as indicated in Table 2