



# City of Richmond

## Report to Committee

**To:** Finance Committee

**Date:** February 9, 2024

**From:** Mike Ching  
Director, Finance

**File:** 02-0745-01/2024-Vol  
01

**Re:** 2023 Annual Procurement Report

### Staff Recommendation

That the staff report titled, "2023 Annual Procurement Report", dated February 9, 2024 from the Director of Finance, be received for information.

Mike Ching, CPA, CMA  
Director, Finance  
604-276-4137

Att. 1

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Information Technology	<input checked="" type="checkbox"/>	
Parks Services	<input checked="" type="checkbox"/>	
Engineering	<input checked="" type="checkbox"/>	
Facilities and Project Development	<input checked="" type="checkbox"/>	
Public Works	<input checked="" type="checkbox"/>	
<b>SENIOR STAFF REPORT REVIEW</b>	<b>INITIALS:</b> 	<b>APPROVED BY CAO</b> 

## Staff Report

### Origin

This report provides information regarding the City's procurement activities during the 2023 calendar year and procurement metrics. An Annual Procurement Report has been provided by the City each year since 2015 and is a best practice performance standard that was originally recommended by the former Municipal Auditor Office. The report also provides additional assurance in management controls and oversight.

This report supports Council's Strategic Plan 2022–2026 Focus Area #4 Responsible Financial Management and Governance:

*4.2 Seek improvements and efficiencies in all aspects of City business.*

*4.3 Foster community trust through open, transparent and accountable budgetary practices and processes.*

### Analysis

Council approval for Purchasing contracts follows Bylaw No. 8215 - Officer and General Manager with respect to contract approval authority limits and contract signing authority. The City continues to promote a commitment to process transparency, competitive bidding, sustainable and circular procurement and a philosophy of continuous improvement.

The Purchasing Department facilitates the procurement of all goods and services on behalf of all City departments (and wholly-owned municipal corporations upon request) in compliance with the City's Procurement Policy and binding Trade Treaties (i.e. the Canadian Free Trade Agreement (CFTA), the Canada-EU Comprehensive Economic Agreement (CETA) and the New West Partnership Trade Agreement (NWPTA)) that affect City procurement activities.

The City uses its online eProcurement platform (known as bids&tenders) to advertise bid opportunities and receive submissions from suppliers. The number of responses to advertised bids on the platform remains strong, offering greater opportunities to realize better value for money through more open competition and being recognized as a client of choice for many suppliers. By managing responses through bids&tenders, the City has been able to streamline and better organize the processing of both bids and contracts.

Purchasing staff continue to promote circular procurement opportunities where practical, by including circular economy criteria in bid specifications and within the decision-making process when awarding contracts.

The Procurement Policy 3104, along with the purchasing guidelines, continue to augment the City's collaborative approach to strategic sourcing and decision making on significant expenditures, while also ensuring compliance to established policies and controls.

1. Procurement Activities

The Purchasing Department is primarily focused on delivering value through competitive tendering and leveraging its spend. The City also continues to participate in regional procurement initiatives to support operational needs where possible and executes contracts to support Council initiatives and department priorities that also mitigate risk. Activities included contracts that were approved by Council that follow Bylaw No. 8215 – Officer and General Manager and the award of construction management contracts. Information on procurement activities are reported by staff in the City’s quarterly reporting and detailed vendor spend in the Annual Statement of Financial Information report.

2. Procurement Statistics

The following are key procurement statistics for the period of January 1, 2023 to December 31, 2023:

Total value of contracts awarded in excess of \$75,000 (Appendix 1)	\$61,445,633
Total value of contracts awarded below \$75,000	\$5,073,247
Number of contracts awarded in excess of \$75,000	113
Total Value of all Purchase Orders issued in 2023	\$73,275,240
Total Value of Single/Sole Source contract awards in excess of \$75,000	\$9,069,974
Purchasing Card Expenditures in 2023	\$7,000,304

\* Sole source procurement is the practice of contracting with one source when that source is the only available supplier or service provider possessing the ability to fulfil a requirement. Single source procurement is defined as deliberately concentrating purchases of a particular good or service with one source in preference over others in a competitive marketplace.

3. Competitive Bidding

The Purchasing Department facilitates the acquisition of goods, services and construction to meet internal organizational requirements and City projects through sourcing suppliers, facilitating competitive tenders and executing contracts that help ensure financial and administrative effectiveness.

In 2023, approximately \$61M in contracts in excess of \$75,000 were awarded by the Purchasing Department on behalf of other City departments (listed in Appendix 1).

Numerous architectural, consulting and construction contracts were procured by the City through various procurement methodologies to support major projects in 2023. Methodologies used are determined based on a project’s value and complexity, but also selected to best mitigate the City’s exposure to unplanned cost escalation due to material price inflation, lengthy lead times for equipment and increased labour costs due to skilled worker shortages.

The procurement of vehicles and equipment required for City operations was also a key focus in the past year. There has been a significant transition towards the procurement of more zero-emission vehicles (ZEV) and emission-compliant engines for equipment, primarily aligned to the City's Green Fleet Action Plan and also Provincial and Federal mandates that are designed to achieve 100% ZEV sales by 2035.

Fleet procurement generally in 2023 was impacted by industry related supply and demand factors that resulted in longer than typical lead times for the delivery of vehicles and increased prices, not only for ZEVs, but also for more specialized vehicles and equipment. The Fleet Operations department is reviewing its replacement programs and exploring opportunities to extend the life of the current fleet where practical and cost effective to mitigate these industry pressures.

#### 4. Sole/Single Source Contract Awards

The vast majority of sole/single source contracts awarded in 2023 were executed on the basis of compatibility with existing City infrastructure and systems. Of the \$61,445,633.00 in contracts in excess of \$75,000.00 awarded in 2023, \$9,069,974.40 of those contracts were awarded on a sole or single source basis.

For further transparency \$4,581,431.54 of the single/sole source contracts were awarded following the public posting of a Notice of Intent to Contract (NOITC) on BC Bid.

These statistics demonstrate that the City is successful in achieving on its core objectives of ensuring competitive and transparent procurement processes, while maximizing value for money in the acquisition of goods and services.

#### 5. Purchasing Card Program

The Citywide Purchasing Card Program enhances internal controls to enable approved cardholders to procure permitted low dollar value purchases. Transaction limits for approved purchases are in line with the spending limits set out in the City's Financial Signing Authorities Policy 3709. The City's auditor also conducts audits of Purchasing Card transactions to ensure all guidelines are followed and the program functions as intended. In 2023, City purchasing cards were used for 19,563 transactions for a total spend of \$7,000,304.12 equating to an average value of \$358.00 per transaction. A rebate based on the City's purchasing card spend in 2023 was received that was approximately \$58,000 in value.

### **Financial Impact**

None.

**Conclusion**

This procurement report covers the period from January 1, 2023 to December 31, 2023 and documents the City of Richmond's procurement activities.



David Aarons  
Manager, Purchasing  
(604-276-4061)

Attachment 1: Contracts awarded in 2023 (in excess of \$75,000)

**Contracts awarded in 2023 (in excess of \$75,000)**

	<b>Descriptions</b>	<b>Awarded Vendor</b>	<b>Awarded Amount</b>
1	249F – Annual Subscription and Service Agreement	Procore Technologies Canada Inc.	\$84,875.00
2	252S - Emergency Supply of Temporary Dehumidification Unit for Richmond Ice Centre	PCL Constructors Westcoast Inc.	\$154,450.00
3	259IQ - On-Call Key, Lock and Door Services	A-Z Lockmasters Canada Inc.	\$85,000.00
4	268F - Moncton Street Frontage Detailed Design	HDR Architecture Associates, Inc.	\$129,066.00
5	272F - Auditing Services for City of Richmond and Affiliates - 5 year term	KPMG LLP	\$899,750.00
6	276CM - South Arm Community Hall Infrastructure Roof Remediation (Phase 1)	PCL Constructors Westcoast Inc.	\$634,563.00
7	276CM - South Arm Community Hall Infrastructure Renewals (Phase 2)	PCL Constructors Westcoast Inc.	\$948,147.00
8	278CM - Richmond Nature Park Infrastructure Renewals Construction Services	Edifice Construction Inc.	\$3,404,985.00
9	281CM - Cambie Community Centre Building Improvements - Mechanical Equipment	Heatherbrae Builders Co. Ltd.	\$96,024.00
10	281CM - Cambie Community Centre Building Improvements	Heatherbrae Builders Co. Ltd.	\$478,661.00
11	287CM - Pre-Construction Services - Replacement of the Bowling Green Community Activity Centre	Scott DB Services Ltd.	\$134,062.00
12	287CM - Design-Build Services - Bowling Green Community Activity Centre Replacement	Scott DB Services Ltd.	\$4,815,597.00
13	301S - Amanda (Municipal Property Management System) 2023 Software Support and Maintenance	Granicus Canada Holdings ULC	\$118,340.99
14	309IQ - Janitorial Services - Fire Hall 1, 2 and 3	Cleantech Service Group Ltd.	\$92,880.00
15	317IQ - Supply and Install Furniture - Richmond Cultural Centre Annex	Contemporary Office Interiors	\$129,755.00
16	319IQ - Supply and Installation of Structural CIPP for the Lancaster Crescent Sanitary Repair Project	Special T Cleaning (2012) Ltd.	\$161,050.00
17	320F - One (1) 2023 Peterbilt Cab and Chassis One Tandem Axle Truck	Peterbilt Pacific Inc.	\$254,140.00
18	322IQ - McDonald Beach Hydrological and Sediment Analysis Study	ISL Engineering and Land Services Ltd.	\$84,941.00
19	333IQ - Terra Nova Rural Park Septic Field Supply and Installation	Torak Services Ltd.	\$104,800.00
20	340IQ - Asphalt Paving for the Shell Road Laneway Upgrade Project	Winvan Paving Ltd.	\$154,000.00
21	355F - Security Services for Access Control, Monitoring and Intrusion Alarms – 1 year term	Safe & Sound Security Systems Ltd.	\$394,629.00
22	367F - Ford 2023 F150 Lightning Fully Electric Crew Cab Pickup Truck	Metro Motors Ltd.	\$79,700.00

23	369F - Supply and Delivery of One (1) Single Axle Cab and Chassis Truck Model #535	Peterbilt Pacific Inc.	\$182,584.00
24	373J - City Centre Community Annex - Building Upgrades	Holaco Construction (1997) Ltd.	\$110,757.00
25	374F - Richmond Media Lab - Equipment	Apple Canada Inc.	\$155,297.54
26	375J - Brighthouse Library Front Entrance Improvements	Holaco Construction (1997) Ltd.	\$244,860.00
27	377J - Richmond Cultural Centre Annex Envelope Repairs	Holaco Construction (1997) Ltd.	\$312,815.00
28	383J - Richmond Curling Club Repairs	Holaco Construction (1997) Ltd.	\$145,384.00
29	384F - 2 Year Lease for Colour Printers	Konica Minolta Business Solutions	\$80,580.00
30	385F - Building Safer Communities Consulting	POTUS Consulting Inc.	\$440,000.00
31	386F - VMWare Carbon Black Subscription	Optiv Canada Inc.	\$96,924.00
32	388F - CyberArk Cloud Privilege Access Management (PAM) Subscription Licensing	Optiv Canada Inc.	\$161,575.00
33	389F - IBM Qradar 1500 Events Per Second (EPS) Log Capacity Licensing	Glasshouse Systems Inc.	\$84,459.00
34	393F - Delivery of Staff Training and Development	Royal Roads University	\$85,000.00
35	395IQ - Bath Slough Canal Bank & Pedestrian Path Repair at 12506-Vickers Way	Merletti Construction (1999) Ltd.	\$590,758.00
36	399IQ - Technical Consulting Services	West Consulting	\$75,000.00
37	406IQ - Quality Assurance Services - Bowling Green Community Activity Centre Replacement	Omicron Canada Inc.	\$112,540.00
38	409CM - Minoru Centre for Active Living - Annual Maintenance Repairs	Heatherbrae Builders Co.Ltd.	\$398,708.00
39	417S - Open Text (eDocs/REDMS) Software Renewal 2024	Open Text Corporation	\$243,986.00
40	426IQ - Provision of Consulting Services for Pump Station Generator Installation 2023	Aplin & Martin Consultants Ltd.	\$208,328.00
41	427IQ - Richmond Ice Centre Dehumidifier Replacement	CIMCO Refrigeration	\$312,600.00
42	438IQ - Multi-House Demolition	Octiscapes Site Services Ltd.	\$144,844.00
43	444F - Janitorial Services – Watermania – 2 year term	Dexterra Group Inc.	\$296,734.00
44	448IQ - PaloAlto 3250 Subscription	Ion United Inc.	\$83,849.00
45	6294P - Supply, Implementation and Consulting Services for an Emergency Notification System	Everbridge Inc.	\$116,100.00
46	7016NOITC - ArcGIS Software Support and Maintenance Renewal	ESRI Canada Ltd.	\$205,000.00
47	7046Q - Supply and Delivery of CCTV Data Storage Devices Including Support and Maintenance	Softchoice LP	\$136,951.00
48	719INOITC - Oracle Database Software and Solaris Hardware Purchase	Eclipsys Solutions Inc.	\$88,084.54

49	7199F - PeopleSoft Annual Maintenance and Support (License Renewal for HCM and FSCM)	Oracle Canada ULC	\$336,449.33
50	463IQ - City Hall Space Planning	Heritage Office Furnishings Ltd.	\$122,226.00
51	8005Q - Supply and Delivery of Multiple Commercial Sound Attenuated Dry Prime Pumps and Pump Trailer(s)	Canadian Dewatering LP	\$96,863.00
52	8036P - Steveston Community Centre and Library Road and Utility Relocates (Civil)	Scott Construction Ltd.	\$1,002,234.00
53	8036P - Steveston Community Centre and Library - Site Preparation Works	Scott Construction Ltd.	\$5,396,139.00
54	8063P - Consulting Services for Green Fleet Action Plan 2030	Dillon Consulting	\$92,950.00
55	8066Q - Supply and Delivery of One (1) Dump Body Unit and Outfitting on a City Provided Tandem Axle Cab and Chassis	Falcon Equipment Ltd.	\$254,996.00
56	8067Q - Supply and Delivery of One (1) Mini-Sweeper	Vimar Equipment Ltd.	\$208,885.00
57	8069Q - Supply and Delivery of One (1) Forestry Aerial Lift Chipper Body with Boom and Smart PTO System on a City Provided Cab and Chassis	Versalift Canada Industries	\$354,340.00
58	8070P - Short Term Rental Vehicles	The Driving Force Inc. Zeemac Vehicle Lease Ltd.	\$462,480.00
59	8072P - Workforce Management Solution and Services	Kronos Canadian Systems Inc.	\$691,633.00
60	8088P - Rental of Coveralls and Related Services	Cintas Canada Ltd.	\$468,435.00
61	8104Q - Britannia Shipyards Envelope, Mechanical and Structural Renewals	Scott Special Projects Ltd.	\$1,879,002.00
62	8109P - Provision of Aggregate Crushing Services	BC Earth Exchange Inc.	\$492,052.00
63	8120Q - Hosted Aerial Photographic Imagery and Building Footprint	Nearmap US, Inc.	\$115,000.00
64	8125P - Provision of Project Management and Business Analysis Services for Oracle EPM Implementation	Alithya Canada Inc.	\$292,500.00
65	8131P - Communication and Education Consulting Services - 3 year term	Mickelson Consulting Inc.	\$490,920.00
66	8132P - Consulting Services for Oracle EPM Implementation	Vigilant Consulting Services Inc.	\$452,200.00
67	8135P - Social Development Strategy	Modus Planning Design & Engagement Inc.	\$99,820.00
68	8138P - Multi-Use Pathways Construction and Misc. Roadworks - South Side Steveston Highway from No. 2 Road to Shell Road	Hexcel Construction Ltd.	\$8,916,070.00
69	8139P - City Hall Chiller Replacement, Domestic Waterline and Elevator Renewals	Omicron Canada Inc.	\$301,475.00
70	8145P - Consulting Services for Materials Flow Analysis	Stichting Circle Economy	\$222,540.00



71	8147P - Asphaltic Concrete Paving - 2023	BA Blacktop Ltd.	\$4,449,149.00
72	8148P - Provision of Traffic Control Services - 3 year term	Lanesafe Traffic Control Ltd. The Universal Group ATS Traffic	\$1,912,958.00
73	8153P - Consulting Services for Employer Branding and Recruitment Strategy	Kimbo Design Inc.	\$126,650.00
74	8154P - Engineering Consulting Services for South Dike Upgrades from 6080 Dyke Road to Gilbert Road Drainage Pump Station	WSP Canada Inc.	\$375,814.00
75	8158P - GHG Reduction Masterplan Study - Consulting Services	First Light Energy Solutions Ltd.	\$83,740.00
76	8160NOITC - Provision of Cycling Skills Education Courses	HUB Cycling	\$103,550.00
77	8164Q - Supply and Delivery of Two (2) Conventional Zero Clearance/Zero Tail Swing Excavators	Avenue Machinery Corporation	\$415,389.60
78	8165P - Collaborative Discharge and Transition Planning Project	Coeruaj Canada	\$119,850.00
79	8166NOITC - Production Services for City of Richmond Maritime Festival	Anigraph Productions Ltd.	\$155,000.00
80	8169CM - Richmond Animal Shelter - Additional Heating & Cooling	Edifice Construction Inc.	\$565,893.00
81	8170P - Steveston Salmon Festival Programming and Production Team - 2 year term	Anigraph Productions Limited	\$324,500.00
82	8173NOITC - Inspection, Monitoring, Maintenance, Installations and Repair of Direct Digital Controls (DDC) - 5 year term	Ainsworth Inc.	\$2,087,766.00
83	8174P - Park Playground Supply and Installation Services	Habitat Systems Inc. Parkworks Solutions Corp. Suttle Recreation Inc.	\$428,362.00
84	8175P - Technical Support for Data Analytics Platform	Cloud Software Group Inc.	\$225,120.00
85	8182P - Provision of Engineering Consulting Services for Conceptual Design of Dike Upgrades at Various Locations	Kerr Wood Leidal Associates Limited McElhanney Consulting Services Ltd.	\$292,434.00
86	8184P - Britannia Shipyards - Seine Net Loft and Shipyard Building Envelope and Structural Renewals Consulting	Iredale Architecture	\$578,340.00
87	8186Q - On Call Overhead Doors Contractor – 3 year term	Door Ace Your Garage Door & Gates Co. .	\$458,850.00
88	8187Q - Microsoft Licensing Software	Compugen Inc.	\$208,964.00
89	8188Q - Cisco Enterprise License and Support Services	Compugen Inc. TELUS Long View Systems	\$472,211.00
90	8189Q - Supply and Delivery of Uniform Clothing for Richmond Fire-Rescue	Brogan Fire & Safety	\$378,009.00
91	8192P - Design Services for Caretaker Suites Infrastructure Renewals	Mallen Gowing Berzins Architecture	\$168,598.00

92	8194NOITC - ProjectDox On-Premise to SaaS Migration Enabling Single Sign-On	Avolve Software Corporation	\$269,992.00
93	8195NOITC - Intersection Cameras Real Time Video Analytics	Advanced Mobility Analytics Group PTY	\$116,884.00
94	8197Q - Supply and Delivery of One (1) Tier 4 Skid Steer Loader with Tracks	Avenue Machinery Corp.	\$112,251.00
95	8198NOITC - IPS Software Maintenance and Support Contract Renewal – 3 year term	Infor Canada Ltd.	\$466,924.00
96	8199NOITC - MyRichmond My Permit Implementation on Mobile (iOS & Android)	Radical I/O Technology Inc.	\$95,200.00
97	8202Q - Supply and Delivery of One (1) Tier 4 Diesel Tractor with Front Bucket	Rollins Machinery Ltd.	\$145,710.00
98	8203Q - Supply and Delivery of Three (3) Half-Ton Extended Cab with Suicide Doors and Six Foot Box Pick Up Trucks	Mainland Ford Ltd.	\$161,028.00
99	8204Q - Supply and Delivery of One (1) Tier 4 Backhoe	Finning (Canada)	\$284,918.00
100	8206P - Provision of Engineering Consulting Services for the No. 9 and No. 6 Road South Drainage Pump Stations	McElhanney Consulting Services Ltd.	\$771,785.00
101	8207Q - Provision of Generators for Pump Station Generator Installation 2023	Frontier Power Products ULC Finning Canada	\$367,425.00
102	8208P - Steveston Highway & Gilbert Road Drainage Upgrade	PW Trenchless Construction Inc.	\$229,668.00
103	8211Q - Supply and Delivery of Multiple Plug in Hybrid Crossover Vehicles	Mainland Ford Ltd.	\$444,650.00
104	8215P - Managed Security Service Provider - 3 year term	Glasshouse Systems Inc.	\$153,235.00
105	8228NOITC - Oracle Enterprise Performance Management (EPM) Subscription Contract – 5 year term	Oracle Canada ULC	\$993,031.00
106	8234Q - Supply and Delivery of One (1) Eight-Wheel Utility Tractor with Interchangeable Implements	Oakcreek Golf & Turf LP	\$99,161.00
107	8235Q - Supply and Delivery of One (1) 6500KG GVW Cutaway Cube Van with Dual Rear Wheels	Barnes Wheaton GM	\$106,243.00
108	8240Q - Supply and Delivery of Three (3) One Ton Quad Cabs with Eight Foot Box Pick Up Trucks	Barnes Wheaton Chevrolet Buick GMC Ltd.	\$187,776.00
109	8242Q - Supply and Delivery of Three (3) One Ton Crew Cabs with Eight Foot Box Pick Up Trucks	Barnes Wheaton Chevrolet Buick GMC Ltd.	\$195,159.00
110	8253P - Geotechnical Engineering Services for the City of Richmond Works Yard - Phase 1	CSR Consultants Ltd.	\$110,786.00
111	8257P - Parks Shade Structure Design Build Services	Habitat Systems Inc.	\$348,293.00
112	84S - Tempest Annual Support Contract Renewal	CentralSquare Canada Software Inc.	\$210,003.00
113	T.8226 - Burkeville Utility Upgrades Phase 5 - Sanitary Sewer	PW Trenchless Construction Inc.	\$342,020.00