

Non-Competitive Purchase (Single Source)-Greater Sudbury Housing Corporation (GSHC) Security Services

Purpose

This report seeks Council's approval of a Single Source Purchase related to security services as required by the City of Greater Sudbury's Purchasing By-Law (By-Law 2014-1) which requires Council's approval of any Non-Competitive Purchase where the total acquisition costs is \$100,000 or more (paragraph 8.(1) d).

Executive Summary

GSHC's contract for security services (S.F.T. 2017-14) has expired with no extension or renewal terms available. This report is recommending a single source extension with existing vendor Paragon Protection Ltd, (operating as Paragon Security) while a comprehensive enterprise-wide procurement for security services currently in development and is to be tendered and awarded in the fall of 2020.

Background

GSHC through a short form tender S.F.T. 2017-14 entered into a contract with Paragon Security for the provision of security and by-law enforcement services on July 1 2017. After having exercised two one-year renewal options, the existing contract expired on June 30, 2020. Paragon security has expressed its intention to continue on a month-to-month under the same terms and conditions until the City of Greater Sudbury (CGS) awards a new enterprise-wide contract. The Purchasing By-law requires Council approval if the non-competitive acquisition or extension exceeds \$100,000. The existing CGS security contract is due to expire on September 30, 2020.

Security Services are provided for at three GSHC locations; 159-166 Louis Street, 1920 and 1960 Paris Street and 720-744 Bruce Avenue.

Analysis

The annual value of security services is budgeted at \$351,231 or approximately \$30,000 per month for 2020. The estimated value of a 4 to 5 month extension is \$120,000 to \$150,000. As per the City's Purchasing By-Law, a Request for Tender or Request for Proposal is required for goods, services or constructions with an estimated total acquisition cost in excess of \$100,000. GSHC staff is working with the Manager of By-law and Security to develop an enterprise-wide tender that will include GSHC within its scope of work. The Purchasing By-Law does contemplate Single Source Purchases if the purchase is in the best interests of the GSHC.

Paragon Security has performed above standard during the three-year contract and is familiar with GSHC operations, challenges and applicable by-laws. The GSHC would extend based on the previous year's terms, conditions and rates. This alternative allows the GSHC to maintain established service levels within existing budgets and to ensure for quality services until the CGS tender is awarded in the Fall of 2020.

Next Steps

This report recommends a Non-Competitive Purchase (Single Source) for security services with Paragon Security on a month-to-month basis until a new enterprise-wide security contract is awarded. It is in the best interest of the GSHC to single source this service, maintaining service levels and rates, until a more comprehensive City-wide contract is completed.

GSHC will continue to work with the Purchasing, Security, By-Law and other operating areas toward a comprehensive enterprise-wide procurement for security services for future years.

Resources Cited

City of Greater Sudbury Purchasing By-Law 2014-1

<https://citylinks.greatersudbury.ca/?LinkServID=5B29B70D-0B5B-8BE7-EF7E908703E551C2>