



City of
Peterborough

To: **Members of the Committee of the Whole**

From: **Sandra Clancy, Director of Corporate Services**

Meeting Date: **September 21, 2015**

Subject: **Report CPFS15-046**
Biddingo – Online Portal Services for Procurement Documents

Purpose

A report to provide an update to Council on the City entering into an agreement with Biddingo Canada Inc., an online service provider that will publish the City's bid documents.

Recommendation

That Council approve the recommendation outlined in Report CPFS15-046 dated September 21, 2015, of the Director of Corporate Services, as follows:

That the report outlining that the City of Peterborough is entering into an agreement with Biddingo Canada Inc., 1210 Sheppard Avenue East, Suite 305 Toronto, Ontario, to upload the City's bid solicitations, attachments and addendums on Biddingo's website as the sole distribution tool for the City's procurement documents, be received for information.

Budget and Financial Implications

There is no cost to the City to use Biddingo's distribution services. Biddingo is paid through membership fees from potential bidders. If the City uses Biddingo as the sole distribution tool of procurement documents and no longer advertises in a local paper, the savings in advertising costs is estimated to be \$25,000 annually.

Background

Current Procurement Process

The City of Peterborough currently posts its procurement documents on the City's website and advertises all opportunities in a local newspaper. Potential bidders download the documents and are asked to register their interest with City staff and monitor the site for any addendums. When addendums are prepared, staff post them on the website, email or fax the registered bidders to advise that they are there and receive confirmations of receipt back. Utility Services Department (USD) Requests for Tenders, that include drawings, are physically picked up at City Hall.

What is Biddingo?

Biddingo was created in 1993 to meet the purchasing needs of the public sector. It started as a bid publishing and distribution service for public sector buyers to meet the requirement of a fair, open and transparent purchasing process, based on the guidelines of the Canadian Agreement on Internal Trade. Unlike Merx, which is more geared towards the Federal and Provincial levels of government, Biddingo has grown into an online government contract portal for small, medium and large organizations that connects suppliers providing various goods and services to buyers from the Provincial, Municipal, Education, Crown Corporation, Housing, Construction and Healthcare sectors, including private companies within Canada.

Suppliers, or potential Bidders, who are interested in doing business with public and private agencies for a yearly fee of \$250.00, purchase a membership from Biddingo, create a profile, and define their business specific criteria. As a result of the criteria selected, Biddingo.com will perform a daily search, and send email alerts with the bids that match each company's profile.

Through Biddingo.com, the City will:

- Post bid advertisements and documents for all construction and goods and services requirements;
- Use flexible distribution options, offering procurement documents to the entire network or notifying preferred suppliers only, e.g. based on prequalification processes;
- Distribute all documents online through Biddingo.com for free, thereby eliminating the need for a supplier to pick up documents;
- Get a detailed report of the companies that have downloaded their documents, known as a "document taker's list";
- Modify the document scope or cancel the document in its entirety and allow the system to send an email notice of the amendment to the document taker's inbox;

- Publish bid results;
- Have access to information on its procurement documents, as well as any others, such as invitation lists, documents taker's lists, mandatory site meetings, amendment notices, bid results, and awarded contracts; and
- Apply better time management to the process.

Through Biddingo.com potential Bidders can:

- Create unique profiles and define their search criteria, including location, keywords, categories and get a daily email alert of bids that match their companies;
- Save time spent manually searching for bid opportunities;
- Access hundreds of bids in 14 major categories and 80 sub-categories; and
- Save time downloading documents instead of picking them up in person (for USD ones).

Biddingo is used by many Ontario municipalities including both the County of Peterborough and City of Kawartha Lakes. Other examples include:

- Town of Whitby
- City of Barrie
- City of Kingston
- City of Vaughan
- Town of Aurora
- Region of York
- Town of Markham
- Town of Newmarket
- Town of Richmond Hill
- City of Mississauga

How will it work?

On numerous occasions, it has been brought to the attention of Financial Services staff that the City's bid documents are being posted on Biddingo's and other similar online portal websites. Representatives, from services like Biddingo, search government websites, newspapers, and other publications for open procurement documents and then post the documents daily and send email notification to their subscribers. From a staff perspective, this ad hoc methodology is considered incomplete as the City does not currently post all attachments on-line, nor does the Service Provider necessarily post additional information that may be provided on the City's website.

By entering into an Agreement with Biddingo, the City can upload advertisements and attach all applicable documents on the Biddingo.com website for viewing by bid takers, as well as any subsequent information.

There is no cost to the City. Subscribers receive access to an entire portal of bid opportunities from governmental organizations right from their computer. Biddingo's features assist in the improvement of the public sector's procurement process and maintain a full audit trail by tracking and documenting all activity.

City's Purchasing By-Law Permits Use of On-line Portal Service

The City's Purchasing By-Law 14-127 permits the use of On-line web portal services:

- 6.4.3 f) Where possible, the Request for Proposals is posted on the City's web page and/or through an online portal service and is available for download.
- 6.5.3 g) Where possible, the Request for Tenders is posted on the City's internet website and/or through an online portal service and is available for download.
- 6.6.3 f) The Request for Formal Quotations is sent to at least three suppliers, where practicable, from a predetermined list but may be supplemented by advertisement placed on City's internet website and/or through an online portal service and relevant media as applicable.

To access Biddingo, suppliers would go to www.biddingo.com/peterborough. A link would be provided on the City's website to point potential Bidders to the Biddingo website. Local advertisements would, for a temporary period of time, also refer potential Bidders to the Biddingo website. At some point, local advertisements may no longer be purchased.

Why is this Report Coming to Council?

Through the City's Purchasing By-law 14-127, the Director of Corporate Services has certain delegated authority:

- 4.2.1 The Director of Corporate Services shall coordinate a purchasing methodology, on behalf of the City in accordance with the provisions of this By-law. In carrying out this responsibility, the Director of Corporate Services may appoint designated persons to act on his/her behalf.
- 4.2.2 The Director of Corporate Services or designate(s) will have the following specific responsibilities:
 - 4.2.2 a) Be responsible for the administration of this By-law, including the development and implementation of guidelines and procedures.

The Director of Corporate Services has the delegated authority to enact this change in process, however, the City's purchasing methodology is a very open and transparent process and, in that light, staff are providing this update to Council and the public.

Impact to Potential Bidders

The change in the process of issuing procurement documents will have an impact on the customer service the City provides to its potential bidders. Potential bidders will be required to pay the \$250 annual fee to Biddingo if they wish to do business with the City, unless they are already paying the fee because of business they are doing with other organizations. Once they have a membership with Biddingo, they will have access to other opportunities. Potential bidders will not have to watch the City's website or local newspaper to find out about a City opportunity and will have less of a chance of missing one. Staff have heard from some suppliers, that are already with Biddingo, that they were concerned about the cost at first but it actually helped them expand their business with the additional opportunities they were advised of.

Summary

Issuing the City's procurement documents through Biddingo Canada Inc. will improve the procurement process for the City's potential bidders, save costs and be more efficient.

Submitted by,

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