



City of  
**Peterborough**

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**To:** **Members of the General Committee**

**From:** **Richard Freymond, Commissioner of Corporate and Legislative Services**

**Meeting Date:** **June 20, 2022**

**Subject:** **Report to Award Non-Standard Procurement Purchasing Card Services, Report CLSFS22-022**

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## **Purpose**

A report to recommend awarding Non-Standard Procurement for Purchasing Card Services for the City of Peterborough.

## **Recommendation**

That Council approve the recommendation outlined in Report CLSFS22-022, dated June 20, 2022 of the Commissioner of Corporate and Legislative Services, as follows:

That the Mayor and City Clerk be authorized to execute an agreement with U.S. Bank National Association, 120 Adelaide Street West, Suite 2300, Toronto, Ontario M5H 1T1, for the supply of Purchasing Card Services for the City of Peterborough for the five-year period from June 28, 2022 to April 30, 2027.

## **Budget and Financial Implications**

There is no cost to enter into the agreement with U.S. Bank.

Under the proposed agreement with U.S. Bank National Association (U.S. Bank) and based on 2021 annual charge volume, the City will receive a \$165,000 performance rebate in 2022 (\$154,000 – 2021). The total value of the rebate to be received over the five-year period of the agreement is estimated to be over \$850,000.

## **Background**

The City of Peterborough has had a Purchasing Card since 1997, which has been operated by the U.S. Bank since 2000. The City's annual spend on purchasing cards in 2021 was \$11.9 million representing approximately 22,000 transactions. Report CPFS17-014 dated April 18, 2017 was approved by Council to enter into a five-year contract extension with U.S. Bank which ended April 30, 2022.

### **Kawartha Collaborative Purchasing Group (KCPG)**

The City has been a member of a purchasing group, KCPG, since 2012. KCPG includes other local municipalities, school boards, Trent University and Fleming College. The KCPG and U.S. Bank reached an agreement for the Purchasing Card program services for a five-year period commencing the date an agreement is signed and ending April 30, 2027.

Part 3.5 of the Procurement By-law 18-084 provides where the best interests of the City will be served, the City may participate in Co-operative Purchasing. Under the by-law, each entity participating in a cooperative purchase will obtain appropriate approval and prepare and execute an Agreement, where required.

Procurement By-law 18-084 Part 11.3.1 b) permits the award of a Non-Standard Procurement in circumstances where the only one supplier is able to meet the requirements of the procurement.

The Treasurer has reviewed this procurement approach for the Purchasing Card services and determined it is consistent with the City's approved purchasing policy.

### **Authority to Approve**

Appendix A, Chart 2, a) iii) of the City's Procurement By-law 18-084 requires approval of Council for the award of a Non-Standard Procurement with a value greater than \$100,000.

Although there is no cost to the City for the Purchasing Card program, the value of the performance rebate over the five-year contract is expected to be over \$850,000.

## **Summary**

Entering into agreement with U.S. Bank through a Non-Standard Procurement is in compliance with the Purchasing By-law 18-084 as described in this report.

Submitted by,

Richard Freymond  
Commissioner of Corporate and Legislative Services

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