

# The Regional Municipality of York

Committee of the Whole  
Finance and Administration  
April 16, 2020

Report of the Commissioner of Finance

## Consolidated Contract Extensions and Award

### 1. Recommendations

1. Council authorize the extensions of the agreements between the Region and each of the vendors listed in Private Attachment 1 for the terms described in the attachment.
2. The Commissioner of the department requiring the product or service be authorized to exercise options to extend the agreements for up to the maximum term described in Private Attachment 1 on the same terms, provided that the vendors have performed the services to the satisfaction of the Commissioner and the total cost is within the approved annual budget for these services.
3. The Commissioner of the department requiring the product or service be authorized to enter into an agreement with the vendor listed in Private Attachment 2 for a staff scheduling solution under the direct purchase provisions of the Purchasing Bylaw.

### 2. Summary

This consolidated report seeks Council approval of contract extensions and renewals that would result in aggregate terms of greater than five (5) years, and of the award of a direct purchase with a total cost that exceeds \$150,000.

Pursuant to Section 18.1 and Section 10.2 of the Purchasing Bylaw (No. 2017-30), a report shall be submitted to Council prior to authorizing procurements under these circumstances. This report consolidates technology-related requests from all departments in an effort to minimize the number of ad hoc reports.

The attachments to this report are private pursuant to Section 239(2)(a) of the *Municipal Act, 2001*, as the subject matter of the attachment involves the security of the property of the Region.

Key Points:

- Council approval is required prior to authorizing procurements made under specific circumstances

- Eight contracts require extensions to continue providing system access and obtaining services
- One direct purchase of a system is required to support business continuity and operational requirements
- Council approval of these contract extensions and award is required under the provisions of Section 18.1 and Section 10.2 of the Purchasing Bylaw, as applicable to each contract

### **3. Background**

#### **The Purchasing Bylaw specifies procurement activities that require Council approval to proceed**

Pursuant to Section 18.1 and Section 10.2 of the Purchasing Bylaw (No. 2017-30), a report shall be submitted to Council seeking approval of contract extensions and renewals that would result in aggregate terms of greater than five (5) years, and of the award of a direct purchase with a total cost that exceeds \$150,000.

This report consolidates technology-related items requiring Council approval in an effort to reduce the number of ad hoc reports. As part of the Region's procurement modernisation efforts, staff will continue to seek ways to consolidate and streamline procurement matters requiring Council approval.

### **4. Analysis**

#### **Eight technology contract extensions are required to provide continued compatibility and reliability**

Effective long-term use of technology systems is enabled by licence and service contracts that support system growth and maintain system reliability. Council approval is required to extend eight technology licence and service contracts under Section 18.1(a) of the Purchasing Bylaw, since the aggregate term of each contract is greater than five years.

Table 1 provides a breakdown of these eight contracts according to their original start date and their extension term. Vendor and corresponding system information is provided in Private Attachment 1.

**Table 1**  
**Summary of Contract Extension Terms**

Vendor	Original Contract Start Date	Extension Term
1	2015	Five years (2020-2025)
2	2016	Five years (2020-2025)
3	2018	Five years (2020-2025)
4	2016	Five years (2020-2025)
5	2018	Five years (2020-2025)
6	2019	Five years (2020-2025)
7	2018	Five years (2020-2025)
8	2016	Two years (2020-2022)

**Direct purchase of scheduling system required to support operational continuity**

A software solution is used by several operational areas to schedule shifts for large groups of staff according to set parameters. The current solution requires replacement as support services will no longer be available from the vendor.

A direct purchase of the replacement solution is required as a change of supplier cannot be made due to necessary compatibility with existing software and services procured under the initial procurement. Vendor and corresponding solution information is provided in Private Attachment 2.

**5. Financial**

The estimated cost to extend the eight contracts is provided in Table 2 below.

**Table 2**  
**Summary of Contract Extension Terms and Costs**

Vendor	Extension Term	Estimated Total Cost (\$)
1	Five years (2020-2025)	500,000
2	Five years (2020-2025)	100,000
3	Five years (2020-2025)	60,000
4	Five years (2020-2025)	50,000
5	Five years (2020-2025)	15,000
6	Five years (2020-2025)	36,000
7	Five years (2020-2025)	200,000
8	Two years (2020-2022)	110,000

Estimated cost calculations factor in annual cost adjustments and forecasted changes in user, business and operational requirements.

The total cost of the scheduling software solution over a five year term (2020-2025) is \$1,000,000, excluding HST.

The required funding is included in the responsible department's 2020 budget and the approved 2021-2022 operating outlook, and will be included in future budgets.

## **6. Local Impact**

There are no direct local municipal impacts as a result of this report.

## **7. Conclusion**

Staff is seeking Council authorization to extend or award nine contracts for terms of up to five years, as specified. These contracts support the reliability of technology systems used to meet business requirements, and contribute towards a consistent and stable technology environment for the Region.

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For more information on this report, please contact Agnes Sott Krzemien, Manager, Policy and Performance at 1-877-464-9675 ext. 71292. Accessible formats or communication supports are available upon request.

Recommended by: **Laura Mirabella, FCPA, FCA**  
Commissioner of Finance and Regional Treasurer

Approved for Submission: **Bruce Macgregor**  
Chief Administrative Officer

March 24, 2020  
Private Attachments (2)  
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