

The Regional Municipality of York

Committee of the Whole
Finance and Administration
September 10, 2020

Report of the Commissioner of Finance

Contract Awards, including Renewals, Approvals, and Emergency Purchases April 1, 2020 – June 30, 2020

1. Recommendation

Council receive this report for information.

2. Summary

This report advises Council of all contracts, including renewals, awarded by the Chief Administrative Officer, or Commissioners, with a total cost exceeding \$150,000, all emergency purchases authorized by the Chief Administrative Officer or Commissioners, and various consulting fee increases authorized by Commissioners, from April 1, 2020 to June 30, 2020.

Pursuant to Sections 7.8, 7.14, 9.5 and 12.6 of the Purchasing Bylaw (No. 2017-30), and Clause 10 of Report No. 5 of Committee of the Whole, adopted by Regional Council on March 24, 2016, a report shall be submitted to Council, on a quarterly basis (or, in the case of emergency purchases, as soon as reasonably possible upon completion of the emergency) to advise of these awards and approvals.

Key Points:

- All purchases were in compliance with Purchasing Bylaw 2017-30
- 64 contract awards worth \$64.3 million, at an average value of \$1.0 million were authorized during Q2 2020
- 45 contracts in the value of \$59.7 million were awarded by the Chief Administrative Officer and 19 contracts in the value of \$4.6 million were awarded by Commissioners
- Included in the 64 contracts are:
 - 26 new contract awards worth \$47.7 million
 - 20 renewals worth \$10.5 million
 - 15 COVID-19 related emergencies worth \$5.7 million
 - 2 fast track approvals worth \$134 thousand
 - 1 increase worth \$227 thousand

3. Background

The Region's procurement process, including award limits, are detailed in the 2017 year-end Contract Awards report adopted by Council on March 22, 2018.

The Region's Purchasing Bylaw delegates authority to staff to award contracts meeting specific criteria. Sections 7.3 to 7.13 of the Purchasing Bylaw require purchases of goods and services exceeding \$150,000 be procured through a request for proposal or request for tender.

The proposed new Procurement Bylaw, which was planned to come into effect in the first quarter of 2020, has now been deferred as a result of the Region's response to COVID-19. Once in place, the new Bylaw will decrease the threshold for triggering a competitive procurement process from \$150,000 to \$100,000, bringing the Bylaw in alignment with requirements of domestic and international trade treaties. Following the final approval of the new Bylaw, this report will be expanded to include all contracts, including renewals, awarded by the Chief Administrative Officer, or Commissioners, with a total cost exceeding \$100,000.

Commissioners may award competitively procured contracts up to and including \$500,000

Commissioners are authorized to approve contracts, provided the total cost does not exceed the Commissioner's delegated authority of \$500,000.00 and the cumulative term of the contract does not exceed five years.

The Chief Administrative Officer may award competitively procured contracts at higher values

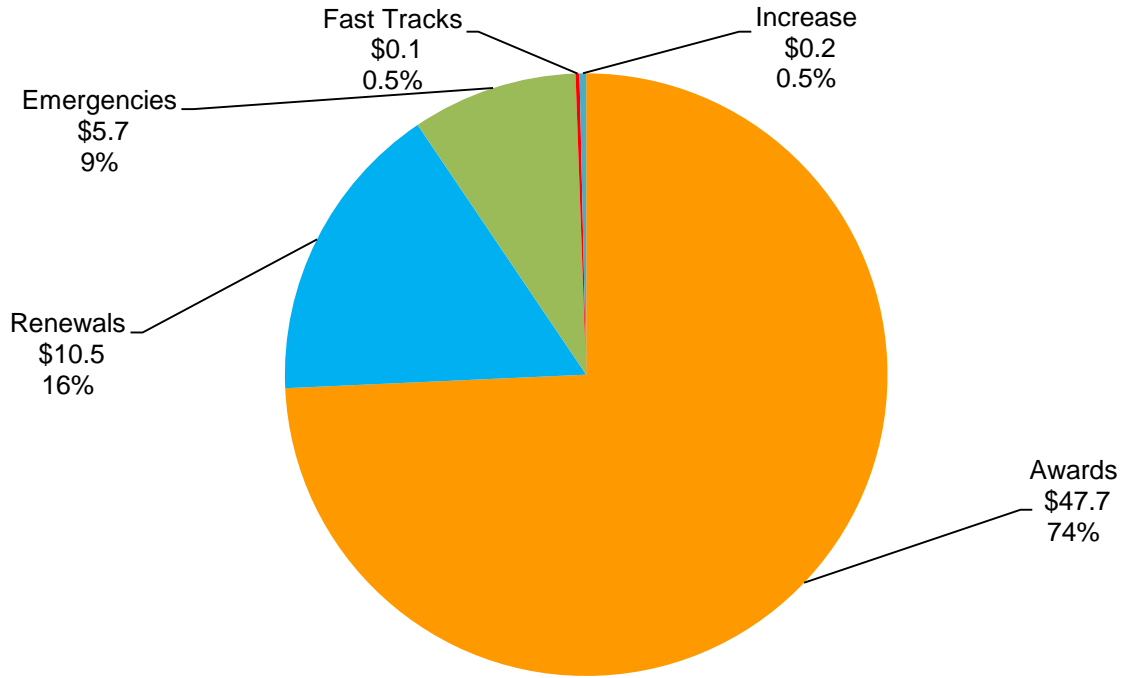
The Chief Administrative Officer is authorized to approve contracts resulting from requests for tenders or requests for proposals, with a value in excess of \$500,000 (with a maximum of \$2 million for requests for proposals), provided the cumulative term of the contract does not exceed five years.

4. Analysis

Contract awards, including renewals, emergency purchases, fast tracks and increases had a total value of \$64.3 million

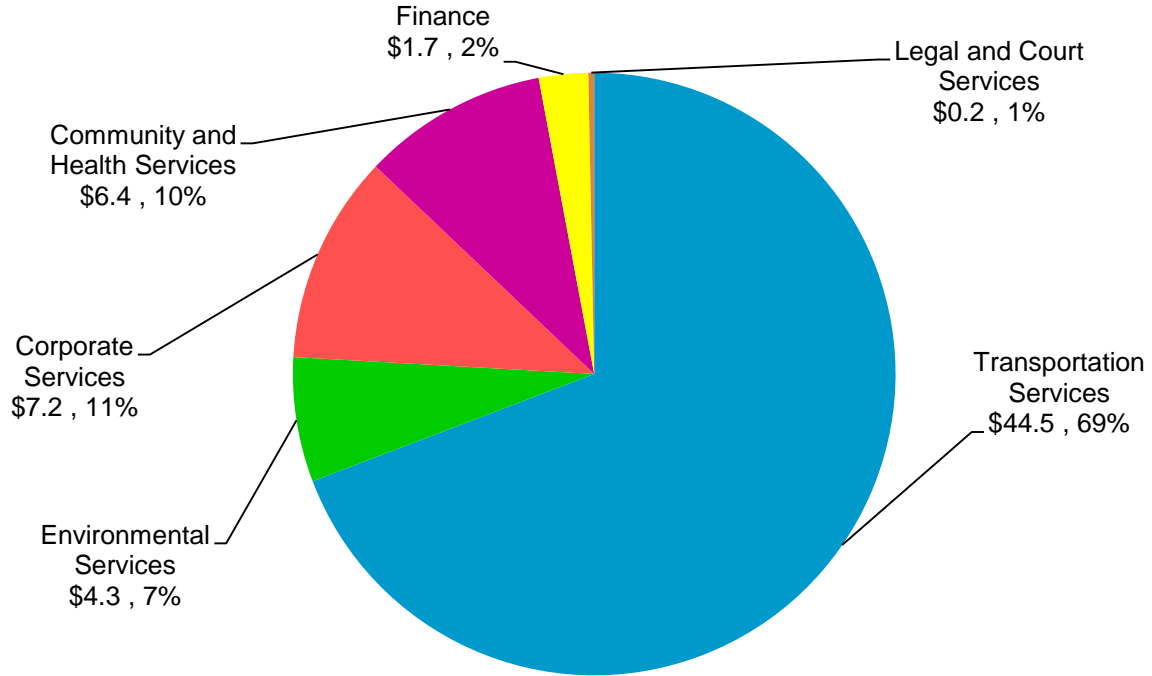
As shown in Figure 1, during the Q2 2020, 64 contract awards worth \$64,297,310.10, including renewals, fast tracks and emergencies, were authorized by the Commissioners, Chief Administrative Officer and the Regional Chair, as applicable.

Figure 1
Value of Contracts Awarded in Q2 by Type (\$ Millions)



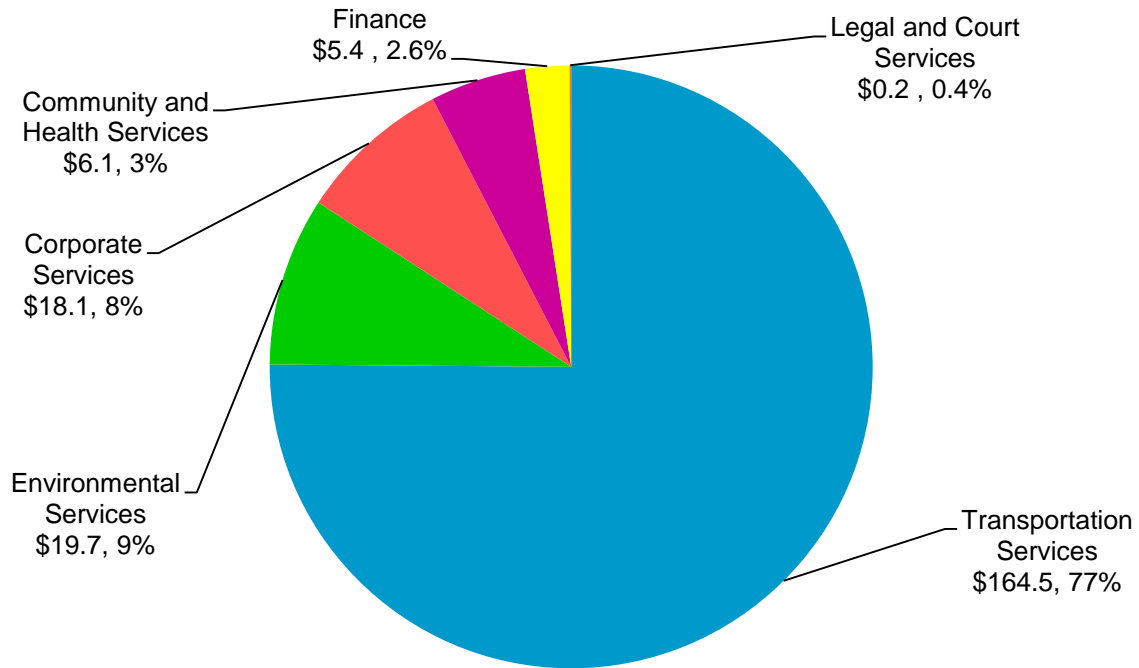
Q2 Total: \$64.3

Figure 2
Value of Contracts Awarded in Q2 by Department (\$ Millions)



Q2 Total: \$64.3

Figure 3
Year to Date (YTD) Value of Contracts Awarded by Department (\$ Millions)



YTD Total: \$219.9

*Note: Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated

Although the Procurement Office enacted a bid release pause during March and April, as a result of the outbreak of COVID-19, 15 more requests were completed in comparison to Q2 2019 where there were 49 contract awards, including renewals and emergency purchases. This increase in total number of awards is due to COVID-19 related items.

While the total number of awards has increased in Q2 2020, the total value of these awards has decreased in comparison to Q2 2019. The total award value for Q2 2020 is \$64.3 million, whereas it was \$148.4 million in Q2 2019. This decrease is as a result of the suspension of some general business activities within Regional departments due to COVID-19.

Attachment 1 provides a list of contract awards, including renewals, from April 1, 2020 to June 30, 2020, with a brief description of each type of procurement activity. The average value across the 64 contracts awarded in Q2 2020 was \$1.0 million. Table 1 illustrates the average contract values awarded by the different departments.

Table 1
Average contract value in Q2 2020 by Department

Department	Average Contract Value (in million \$)
Transportation Services	1.7
Environmental Services	0.5
Corporate Services	1.2
Community & Health Services	0.4
Finance	0.2
Legal and Court Services	0.2

This report does not capture awards over \$2 million reported to Council directly

This report does not capture requests for proposal where the total cost exceeded \$2 million, as those procurements are awarded by Council through individual departmental reports. During Q2, Council awarded one Request for Proposal to IBI Group in the value of \$3.1 million.

COVID-19 related procurement activities result in 15 emergency contracts

Among the 64 contracts awarded during Q2, 15 were emergency contracts related to the COVID-19 outbreak with the total awarded value of \$5,650,438.72. The table below goes into additional detail of COVID-19 related items for Q1 – Q2 and also provides the comparative data for Q1 2020.

Table 2
Overview of COVID-19 Related Emergencies Q1 – Q2 2020

Quarter	# of COVID-19 Related Emergencies	# of Total Awards	% of Awards	Total Award Value of COVID-19 Related Emergencies (in \$)	Total Awards Value (in \$)	% of Total Value
Q1	13	76	17.1%	3,505,824.00	155,594,698.00	2.3%
Q2	15	64	23.8%	5,650,438.72	64,297,310.10	8.8%

5. Financial

All contract awards, including renewals, and emergency purchases, were within approved budgets.

6. Local Impact

There is no local municipal impact associated with this report.

7. Conclusion

The total value of the 64 contract awards, including renewals, fast tracks and increases, in the second quarter was \$64.3 million.

All purchases identified in this report were in compliance with Purchasing Bylaw 2017-30 and in accordance with all applicable Regional policies and procedures.

For more information on this report, please contact, Fadi Samara, Acting Director, Procurement Office at 1-877-464-9675 ext. 71650. 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

August 11, 2020
Attachments (1)
eDOCS# 11238413