

# **The Regional Municipality of York**

Committee of the Whole  
Finance and Administration  
November 5, 2020

Report of the Commissioner of Finance

## **Non-Competitive Contract Awards and Extensions**

### **1. Recommendations**

1. Council authorize the award, extension and/or increase of contracts between the Region and each of the vendors listed in Attachment 1 and Private Attachment 1 for the terms described in the attachments.
2. Council authorize direct purchases for the purpose of goods or services standardization, listed in Attachment 1 and Private Attachment 1, for the terms described in the attachments.
3. 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 Attachment 1 and 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.
4. The Commissioner of Community and Health Services be authorized to delegate the execution of direct purchase agreements and associated extensions, increases, and renewals, to the General Manager, Paramedic and Seniors Services and the Public Health Medical Officer of Health, in relation to the provision of goods and services and product standardizations, provided that the agreement amounts are within their delegated signing authority limits. This delegation will enable expedited approval for the provision of goods and services which provide services to vulnerable persons.

### **2. Summary**

This consolidated report seeks Council approval of 54 contract awards, extensions and goods or services standardizations in the value of \$27,948,684 that meet the following circumstances:

- Award of new direct purchase contracts with a total cost, exceeding \$150,000
- Extension and/or increase of existing direct purchase contracts with a total cost that exceeds, or will exceed \$150,000
- Extension and/or increase of existing contracts with an aggregate term greater than five (5) years

- Non-standard extensions or increases of existing contracts, previously competitively procured, with no renewal option, or where all renewal options have been exhausted
- Private Attachment 1 to this report will be considered in private session as the items within it are related to the security of Regional property

Pursuant to Sections 10.2, 12.3 and 18.1 of the Purchasing Bylaw (No. 2017-30), a report shall be submitted to Council prior to authorizing procurements under these circumstances.

This report consolidates requests across Regional departments and all of the submissions have been validated and meet the required criteria to be procured as direct purchases.

This report consolidates 54 requests for Council approval from across all departments, for a total estimated value of \$27,948,684, to minimize the number of ad hoc reports presented to Council. The 54 requests can be found in Attachment1 and Private Attachment 1.

A private attachment was required pursuant to Section 239(2) (a) of the *Municipal Act, 2001*, as the subject matter involves the security of the property of the Region.

#### Key Points:

- Council approval is required prior to authorizing procurements made under specific circumstances
- 4 new direct purchases, in the value of \$18,880,000, require approval to support business continuity and operational requirements
- 38 contracts, in the value of \$4,308,829, require extensions over the 5-year term to support business continuity and operational requirements
- 8 extensions, in the value of \$4,023,855, are required for non-standard extensions or increases of existing contracts, previously competitively procured, with no renewal option, or where all renewal options have been exhausted
- 4 product standardizations, in the total value of \$736,000, required for maintaining uniformity and consistency in the systems/services used to support the Region's technological needs
- Council approval of these contract awards and extensions is required under the provisions of Sections 10.2, 12.3 and 18.1 of the Purchasing Bylaw, as applicable to each contract

### 3. Background

#### **The consolidated report format streamlines the approval process and provides additional transparency to Council**

As part of the Region's continued procurement modernization efforts, staff continue to seek ways to streamline and improve the way in which procurement matters receive Council approval.

A similar report was considered by Council in [June](#). Going forward, semi-annual updates are planned in June and November of each year.

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

Pursuant to Sections 10.2, 12.3 and 18.1 of the Purchasing Bylaw (No. 2017-30), a report shall be submitted to Council seeking approval of contract awards, extensions and renewals that would result in:

- Direct purchase contracts with a total cost, exceeding \$150,000
- Extension and/or increase of direct purchase contracts with a total cost that exceeds, or will exceed \$150,000
- Extension of contracts with an aggregate term greater than five (5) years, regardless of dollar value

Additionally, to provide Council with better transparency, this report also includes:

- Extension and/or increase of direct purchase contracts with an original contract value under \$150,000, where the extension term will result in the total contract value exceeding \$150,000
- Extension of contracts with no renewal options, or where all renewal options have been exhausted
- Direct purchase contracts for the purpose of product or technology standardization

## 4. Analysis

### **54 direct purchases, contract extensions, and product standardizations are required to enable business continuity and operational requirements of Regional programs**

To provide better transparency on the volume of procurement transactions requiring Council consideration, this report consolidates these types of requests from across the organization and will serve to reduce the number of ad hoc reports to Council.

The table below summarizes the 54 requests into the following categories: new direct purchases, extensions/increases of existing direct purchases, non-standard extensions/increases of existing contracts that were previously procured and product standardizations.

<b>Table 1</b>			
<b>Summary of Consolidated Non-Competitive Contract Award and Extension Requests</b>			
<b>Category</b>	<b># of Requests</b>	<b>Estimated* Cost** (\$)</b>	<b>% of Total Cost</b>
New Direct Purchases	4	18,880,000	68
Extensions/Increases of Existing Direct Purchases	38	4,308,829	15
Non-standard Extensions/Increases of Existing Contracts, previously competitively procured	8	4,023,855	14
Product Standardization	4	736,000	3
<b>TOTAL</b>	<b>54</b>	<b>27,948,684</b>	<b>100</b>

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

\*\*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

## 5. Financial

The estimated cost to award or extend the contracts requested in this report is provided in Table 2. 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.

**Table 2**  
**Summary of Direct Purchase Contract Awards, Extensions and Product**  
**Standardization Requests by Department**

Department		New Direct Purchases	Extensions/Increases of Existing Direct Purchases	Non-standard Extensions/Increases of Existing Contracts***	Product Standardizations
Office of the Chief Administrative Officer	<b>Total #</b>		<b>3</b>		
	Estimated* Cost** (\$)		225,000		
Community and Health Services	<b>Total #</b>		<b>21</b>		<b>3</b>
	Estimated* Cost** (\$)		1,993,526		456,000
Corporate Services	<b>Total #</b>		<b>2</b>		
	Estimated* Cost** (\$)		54,000		
Environmental Services	<b>Total #</b>	<b>1</b>	<b>1</b>	<b>2</b>	
	Estimated* Cost** (\$)	195,000	7,000	22,000	
Finance	<b>Total #</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>1</b>
	Estimated* Cost** (\$)	18,685,000	30,480	740,000	280,000
Legal and Court Services	<b>Total #</b>		<b>3</b>		
	Estimated* Cost** (\$)		26,023		
Transportation Services	<b>Total #</b>		<b>6</b>	<b>3</b>	
	Estimated* Cost** (\$)		1,972,800	3,261,855	

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

\*\*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

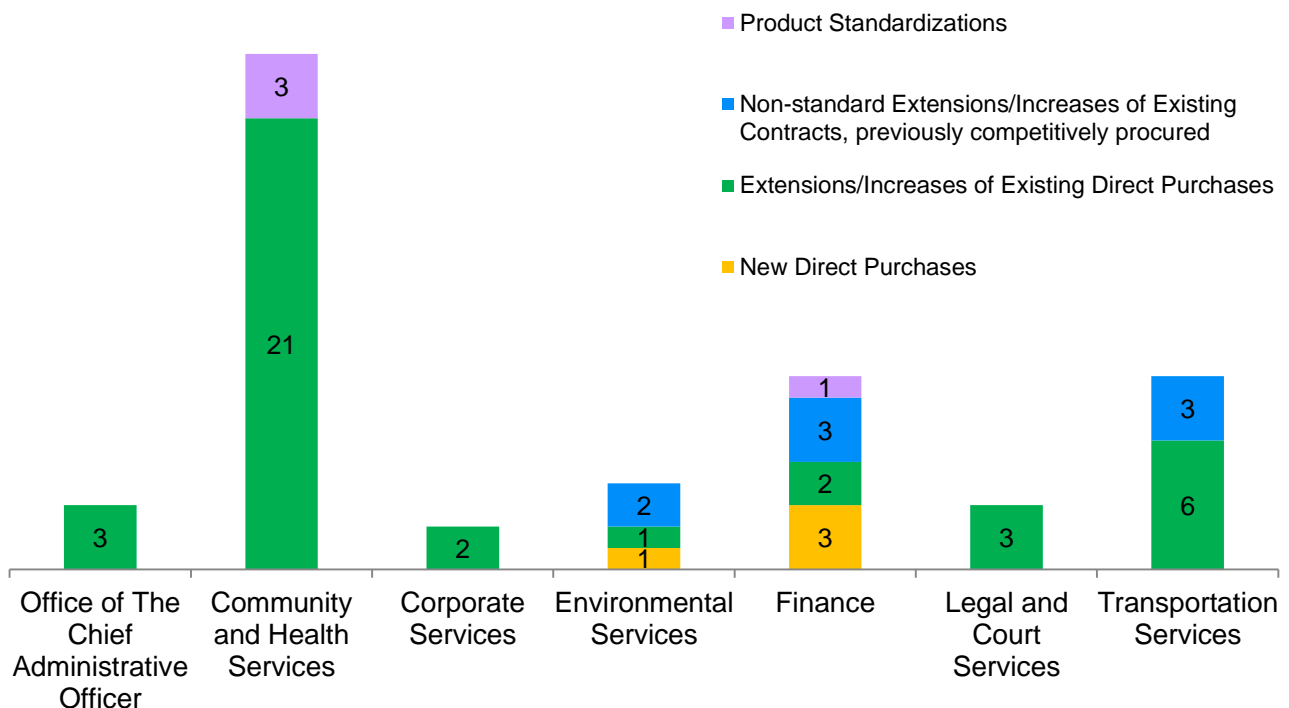
\*\*\* Non-standard Extensions/Increases of Existing Contracts which were previously competitively procured

Department specific summaries can be found in Attachment 1 and Private Attachment 1.

## Corporate Summary of Direct Purchase Contract Awards, Extensions and Product Standardization Requests

This report consolidates 54 direct purchase awards and contract extensions requests from 7 departments. At 54 requests, the total number of contract extensions within this report is smaller than the volume of requests put before Council in the June 2020 Consolidated Non-Competitive Contract Awards and Extensions Report. It is anticipated that the semi-annual frequency of this report will gradually decrease the total number of requests received by Council as part of these two annual reports.

**Chart 1**  
**Corporate Summary of Direct Purchase Contract Awards, Extensions and Product Standardization Requests**



As shown in the corporate summary in Chart 1 above, Community Health and Services, at 24, put forward the highest number of requests in this report. Their number is higher than other departments, as it is a unique department with diverse direct purchase needs related to Public Health, Paramedic and Seniors Services divisions, as well as several contracts affected by the impacts of COVID-19.

In addition, tables 3 through 9 present a more detailed analysis of the departmental requests at the branch level.

**Table 3**  
**Office of the Chief Administrative Officer**  
**Branch Summary of Direct Purchase Contract Awards, Extensions and Product**  
**Standardization Requests**

Description	Total (#)	Total (\$)	Total (%)
Office of The Chief Administrative Officer	3	225,000	100
<b>TOTAL</b>	<b>3</b>	<b>225,000</b>	<b>100</b>

The requests brought forward from the Office of the Chief Administrative Officer require Council approval between December 2020 and June 2021 and are related to a corporate membership and emergency management training.

Further details can be found in Attachment 1.

**Table 4**  
**Community and Health Services**  
**Branch Summary of Direct Purchase Contract Awards and Extensions Requests**

Description	Total (#)	Total (\$)	Total (%)
Paramedic and Seniors Services	17	1,670,526	68
Public Health	7	779,000	32
<b>TOTAL</b>	<b>24</b>	<b>2,449,526</b>	<b>100</b>

The requests brought forward from Community and Health Services require Council approval between December 2020 and June 2021 and are related to various medical tools and equipment, paramedic uniforms, medication safes, training mannequins, consultant services, various maintenance/repair services, asset tags, physician services and contraceptives.

As per Section 5.3 of the Purchasing Bylaw, Commissioners have the authority to award contracts and contract extensions within this report. The Commissioner of Community and Health Services has requested to authorization to delegate the execution of direct purchase agreements and associated extensions, increases, and renewals, to the General Manager, Paramedic and Seniors Services and the Public Health Medical Officer of Health, in relation to the provision of goods and services and product standardizations, provided that the agreement amounts are within their delegated signing authority limits. This delegation will enable expedited approval for the provision of goods and services which provide services to vulnerable persons.

Further details can be found in Attachment 1.

**Table 5**  
**Corporate Services Department**  
**Branch Summary of Direct Purchase Contract Awards and Extensions Requests**

Description	Total (#)	Total (\$)	Total (%)
Human Resources	1	50,000	93
Planning and Economic Development	1	4,000	7
<b>TOTAL</b>	<b>2</b>	<b>54,000</b>	<b>100</b>

The requests brought forward from Corporate Services require Council approval between December 2020 and June 2021 and are related to creation/ongoing maintenance of the Region's job evaluation tools, participation in the Ontario Municipal Compensation Survey, and other survey services.

Further details can be found in Attachment 1.

**Table 6**  
**Environmental Services Department**  
**Branch Summary of Direct Purchase Contract Awards and Extensions Requests**

Description	Total (#)	Total (\$)	Total (%)
Strategy and Innovation	2	29,000	13
Environmental Promotion and Protection	2	195,000	87
<b>TOTAL</b>	<b>4</b>	<b>224,000</b>	<b>100</b>

The requests brought forward from Environmental Services require Council approval between December 2020 and June 2021 and are related to software, monitoring services and disposal of electronics services.

Further details can be found in Attachment 1 and Private Attachment 1.

**Table 7**  
**Finance Department**  
**Branch Summary of Direct Purchase Contract Awards and Extensions Requests**

Description	Total (#)	Total (\$)	Total (%)
Information Technology Services	7	19,727,000	>99*
Controllershship Office	1	8,480	<1*
Strategy and Transformation	1	0	0
<b>TOTAL</b>	<b>9</b>	<b>19,735,480</b>	<b>100</b>

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

The requests brought forward from Finance require Council approval between December 2020 and June 2021 and are related to cellular communication devices, data platform connector subscriptions and support and hosting, and maintenance services.



Further details can be found in Attachment 1 and Private Attachment 1.

**Table 8**  
**Legal and Court Services Department**  
**Branch Summary of Direct Purchase Contract Awards and Extensions Requests**

Description	Total (#)	Total (\$)	Total (%)
Court Services	3	26,023	100
<b>TOTAL</b>	<b>3</b>	<b>26,023</b>	<b>100</b>

The requests brought forward from Legal and Court Services require Council approval between December 2020 and June 2021 and are related to software support and services and postage equipment.

Further details can be found in Attachment 1 and Private Attachment 1.

**Table 9**  
**Transportation Services Department**  
**Branch Summary of Direct Purchase Contract Awards and Extensions Requests**

Description	Total (#)	Total (\$)	Total (%)
Transit	3	918,300	18
Roads and Traffic Operations	6	4,316,355	82
<b>TOTAL</b>	<b>9</b>	<b>5,234,655</b>	<b>100</b>

The requests brought forward from Transportation Services require Council approval between December 2020 and June 2021 and are related to vehicle tires, various software, snow blades, various facilities management and services, winter road maintenance operations, and contract administration and construction inspection/assurance support services.

Further details can be found in Attachment 1 and Private Attachment 1.

## 6. Local Impact

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

## 7. Conclusion

Staff are seeking Council authorization to award 54 contract awards, extensions and goods and services standardization, for terms as specified. These contracts support the business continuity requirements of Regional programs and/or reliability of technology systems used to meet business requirements, ensuring a consistent and stable business environment for the Region.

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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

October 21, 2020  
Attachments (1)  
Private Attachments (1)  
eDocs: 11622890