

The Regional Municipality of York

Committee of the Whole
Finance and Administration
December 3, 2020

Report of the Commissioner of Finance

Contract Awards, including Renewals, Approvals, and Emergencies Purchases July 1, 2020 to September 30, 2020

1. Recommendation

Council receive this report for information.

2. Summary

This report advises Council of all contracts, including emergency awards, fast tracks, and renewals, awarded by the Chief Administrative Officer or Commissioners, with a total cost exceeding \$150,000, all emergency awards authorized by the Chief Administrative Officer or Commissioners, and various increases authorized by Commissioners, from July 1, 2020 to September 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 awards, as soon as reasonably possible upon completion of the emergency) to advise of these awards and approvals.

Key Points:

- All purchases were completed in compliance with Purchasing Bylaw 2017-30
- 104 contract awards including, emergency awards, fast tracks and renewals worth \$117.5 million, at an average value of \$1.1 million were authorized
- 55 contracts in the value of \$73.5 million were awarded by the Chief Administrative Officer and 49 contracts in the value of \$44 million were awarded by Commissioners
- Included in the 104 contracts are:
 - 41 new contract awards worth \$61.2 million
 - 13 emergency awards worth \$2.7 million
 - 16 fast tracks worth \$8.1 million
 - 34 renewals worth \$45.5 million
- 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

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 emergency awards, fast tracks, and renewals have a total value of \$117.5 million

As shown in Figure 1, during Q3 2020, 104 contract awards worth \$117,482,295 including emergency awards, fast tracks and renewals were authorized by the Commissioners, Chief Administrative Officer and the Regional Chair, as applicable.

Figure 1
Value of Contracts Awarded in Q3 by Type (\$ Millions)

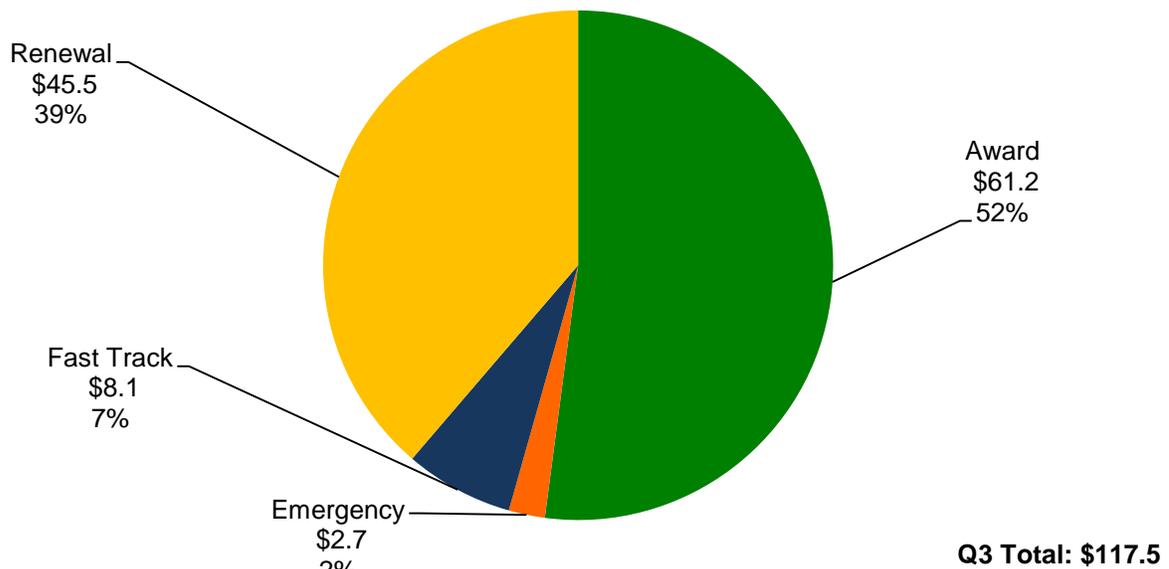


Figure 2
Value of Contracts Awarded in Q3 by Department (\$ Millions)

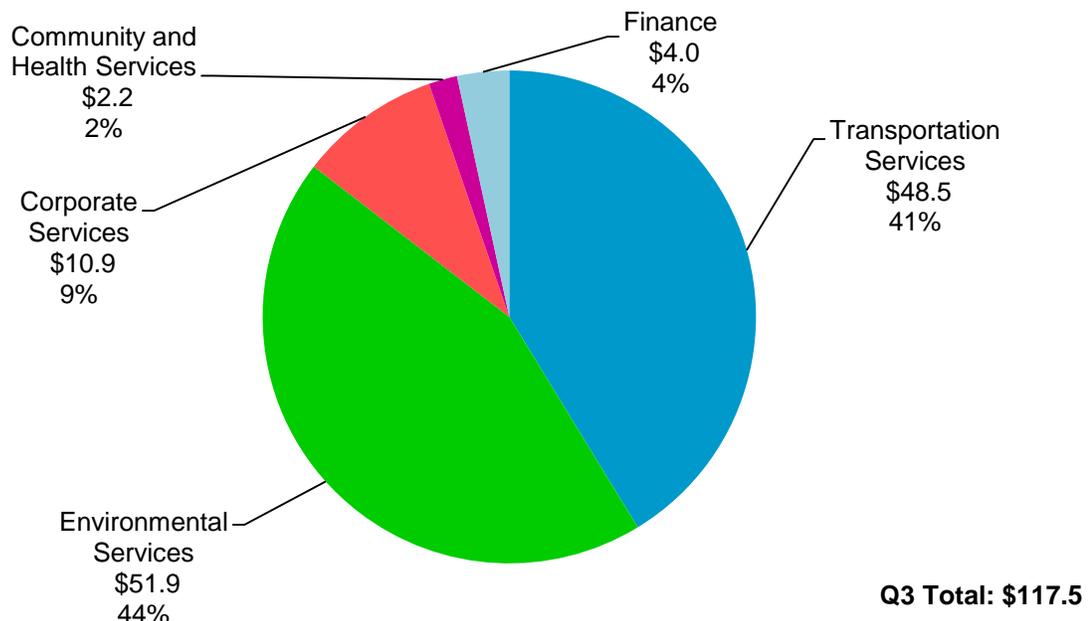
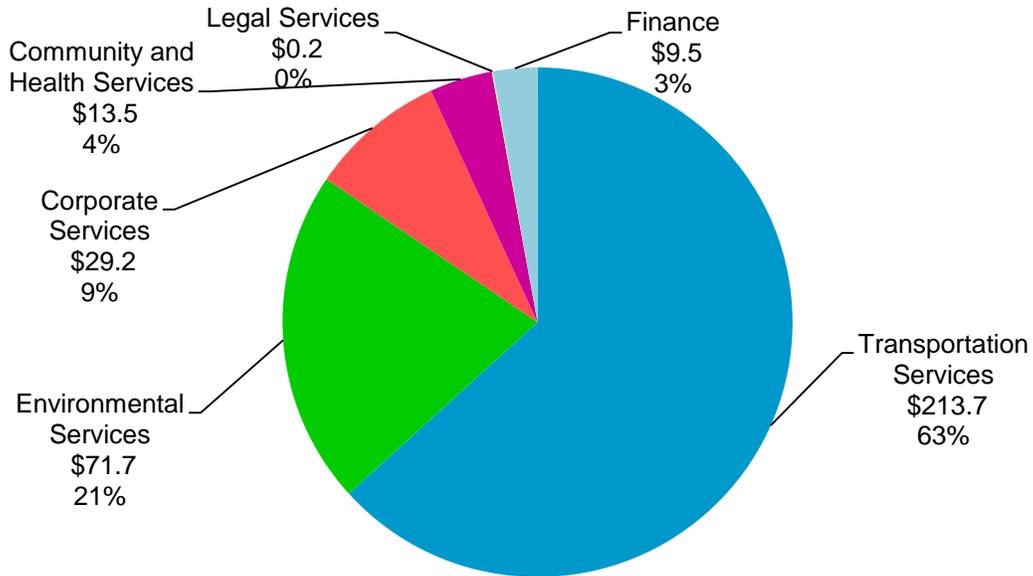


Figure 3
Year to Date (YTD) Value of Contracts Awarded by Department (\$ Millions)



YTD Total: \$337.8

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

There is a significant increase in the total volume of contracts awarded in Q3 2020, in comparison to Q2 2020. At 104 contract awards, the Region awarded 40 more contracts in Q3 than the 64 awarded in Q2 2020, as regular bid release activity has been resumed since May 2020.

Attachment 1 and Private Attachment 1 provide a list of contract awards, including renewals, from July 1, 2020 to September 30, 2020, with a brief description of each type of procurement activity. A private attachment was required, pursuant to Section 239(2) (a) of the *Municipal Act, 2001*, as the subject matter involves the security of Regional property. The average value across the 104 contracts awarded in Q3 2020 was \$1.1 million. Table 1 illustrates the average contract values awarded by the different departments.

Table 1
Average Contract Value in Q3 2020

| Department | Average Contract Value (in millions \$) |
|-------------------------------|--|
| Community and Health Services | 0.1 |
| Corporate Services | 0.8 |
| Environmental Services | 2.0 |
| Finance | 0.4 |
| Transportation Services | 1.3 |
| Overall | 1.1 |

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

As per Section 7.13 of the *Purchasing Bylaw*, this report does not capture Requests for Proposals (RFP) where the total cost exceeds \$2 million, as those procurements are awarded by Council through individual departmental reports. In Q3, Council awarded a singular RFP to Transportation Services to TOK Transit Limited in the value of \$398,791,804 for transit operations and maintenance of the West-North Transit Division for a term of seven years.

COVID-19 related procurement activities resulted in 10 emergency awards

Of the 104 contracts awarded during Q3, 10 were emergency awards related to the COVID-19 outbreak with the total awarded value of \$3,863,627. The table below goes into additional detail of COVID-19 related items for Q1 to Q3 2020.

Table 2
Overview of COVID-19 Related Emergency Awards Q1 to Q3 2020

| Quarter | # of COVID-19 Related Emergency Awards | # of Total Awards | % of Awards | Total Award Value of COVID-19 Related Emergency Awards (in \$) | Total Awards Value (in \$) | % of Total Value |
|---------|--|-------------------|-------------|--|----------------------------|------------------|
| Q1 | 13 | 76 | 17 | 3,505,824 | 155,594,698 | 2.3 |
| Q2 | 15 | 64 | 23 | 5,650,438 | 64,297,310 | 8.8 |
| Q3 | 10 | 104 | 10 | 3,863,267 | 117,482,295 | 3.3 |

5. Financial

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

6. Local Impact

There is no local municipal impact associated with this report.

7. Conclusion

The total value of the 104 contract awards, including emergency awards, fast tracks, and renewals, in Q3 was \$117.5 million.

All purchases identified in this report were completed 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

November 5, 2020
Attachments (1)
Private Attachments (1)
eDOCs: 11742770