

The Regional Municipality of York

Committee of the Whole
Finance and Administration
November 11, 2021

Report of the Commissioner of Finance

Contract Awards and Amendments Requiring Council Approval

1. Recommendations

1. Council authorize the award of the direct purchases, contract extensions, and increases 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 Commissioners and Department Heads, or their designates, to execute the contracts approved in this report, including all applicable renewals.

2. Summary

This report seeks Council approval of 55 direct purchases, contract extensions and increases in the value of \$35.1 million that meet one or more of the following circumstances:

- New direct purchase over \$150,000
- Extension/increase over a five-year term for any existing contract, previously directly or competitively procured
- Extension/increase for an existing contract, previously competitively procured, which does not have any, or has exhausted all, renewal options
- Extension/increase for existing direct purchase contract over \$150,000
- 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 the circumstances listed above.

This report consolidates 55 requests across six Regional departments, in the value of \$35.1 million to minimize the number of ad hoc reports for Council approval.

All requests within this report have been validated by the Procurement Office, Legal Services and Commissioners/Department Heads to ensure that they meet the required criteria to be procured as direct purchases.

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:

- 5 new direct purchases, in the value of \$2.4 million require approval to support business continuity and operational requirements
- 36 contracts, in the value of \$30.6 million require extensions/increases over the five-year term to support business continuity and operational requirements
- 10 contracts, in the value of \$1.1 million require extensions/increases for an existing contract, previously competitively procured, which do not have any, or have exhausted all renewal options to support business continuity and operational requirements
- 4 contracts, in the value of \$0.9 million require extensions/increases for existing direct purchase contracts over \$150,000 to support business continuity and operational requirements
- 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.

Similar reports were considered by Council in June and November 2020, as per the regular reporting cycles, and most recently in [February](#), [April](#), and [June](#) 2021. Reports in February and April 2021 were required as the Region experienced significant delays in the hiring of procurement resources, due to COVID-19, resulting in critical delays to competitive procurements. Thus, non-standard extensions/increases and short-term direct purchases were required to meet the critical business needs of departmental program areas. The June and November report have been presented to Council as per the usual bi-annual schedule.

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, 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

A value for money exercise was conducted to ensure best value for the Region

Where goods and services are not competitively procured, typically, a value for money exercise is conducted to ensure that awards, increases and extensions of contracts represent the best value for the Region. Staff are encouraged to test and research the market at the end of each contract through various methods including Requests for Information or through Expressions of Interest. This ensures that new vendors have not entered the market providing same goods and services at more competitive prices. Where extensions of contracts are negotiated, the price of the extension is within an acceptable inflation value.

55 direct purchases, contract extensions and increases 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. Table 1 summarizes, by category, the requests within this report.

Table 1
Summary of Contract Awards and Amendments Requiring Council Approval

Category	# of Requests	Estimated* Cost** (\$)	Percentage of Total Cost (%)
New direct purchase over \$150,000	5	2,374,385	7
Extension/increase over a five-year term for any existing contract, previously directly or competitively procured	36	30,624,956	87
Extension/increase for an existing contract, previously competitively procured, which does not have any, or has exhausted all, renewal options	10	1,120,994	3
Extension/increase for existing direct purchase contract over \$150,000	4	936,059	3
TOTAL	55	35,056,394	100

*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 2021 budget and the approved 2021-2022 operating outlook and will be included in future budgets.

5. Financial

The estimated cost to award or extend/increase the contracts requested in this report is outlined in Table 2. The required funding for these requests are included in the responsible department's 2021 budget, in the endorsed 2021-2022 operating outlook and will be included in future budgets.

Table 2
Summary of Contract Awards and Amendments Requiring Council Approval

Department		New Direct Purchases	Extension/increase over a five-year term for any existing contract, previously directly or competitively procured	Extension/increase for an existing contract, previously competitively procured, which does not have any, or has exhausted all, renewal options	Extension/increase for existing direct purchase contract over \$150,000
Community and Health Services	Total #	1	15	5	-
	Estimated* Cost** (\$)	196,490	22,549,522	747,050	-
Corporate Services	Total #	-	-	1	-
	Estimated* Cost** (\$)	-	-	122,750	-
Environmental Services	Total #	2	3	-	-
	Estimated* Cost** (\$)	1,443,720	252,031	-	-
Finance	Total #	-	10	-	-
	Estimated* Cost** (\$)	-	5,553,900	-	-
Legal and Court Services	Total #	-	2	2	1
	Estimated* Cost** (\$)	-	123,503	15,000	20,117
Transportation Services	Total #	2	6	2	3
	Estimated* Cost** (\$)	734,175	2,146,000	236,193	915,943

*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 2021 budget and the endorsed 2021-2022 operating outlook and will be included in future budgets.

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

Corporate Summary of Contract Awards and Amendments Requiring Council Approval

This report consolidates 55 direct purchase, contract extension and increase requests from six departments. At 55 requests, the total number of contract extensions within this report is similar than the volume of requests, 53, put before Council in the June report. This is as

expected, as this report was a regularly scheduled report in which departments had been preparing requests to include.

As outlined in Table 2, Community and Health Services put forward the highest number of requests (21), followed by Transportation Services (13), Finance (10), Environmental Services (5) and Legal Services (5), and Corporate Services (1).

Detailed Analysis of the Departmental Requests

Tables 3 through 7 present a more detailed analysis of the departmental requests by branch level.

Table 3
Community and Health Services
Branch Summary of Direct Purchase, Contract Extension, and Increase Requests

Description	Total (#)	Total (\$)	Total (%)
Integrated Business Services	1	196,490	0.8
Paramedic and Seniors Services	17	23,198,572	98.8
Public Health	3	98,000	0.4
TOTAL	21	23,493,062	100

The requests brought forward from Community and Health Services require Council approval and are related to anti-idling systems, technology, and maintenance, breastfeeding supplies, cardiac monitors, accessories and maintenance, display software and accessories, elevating device maintenance, emergency response vehicle purchases, repairs, and maintenance, emergency response vehicle tires, furniture, medical supplies, mobility aids, psychotherapy services, security guard services, supply and delivery of food, technology solutions, uniforms, vehicle branding, and vehicle maintenance and repair services.

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

Table 4
Corporate Services
Branch Summary of Direct Purchase, Contract Extension, and Increase Requests

Description	Total (#)	Total (\$)	Total (%)
Human Resources	1	122,750	100
TOTAL	1	122,750	100

The requests brought forward from Corporate Services require Council approval and are related to the employee recognition platform.

Further details can be found in Private Attachment 1.

Table 5
Environmental Services
Branch Summary of Direct Purchase, Contract Extension, and Increase Requests

Description	Total (#)	Total (\$)	Total (%)
Capital Planning and Delivery	1	411,800	24
Environmental Promotion and Protection	1	-	0
Operations, Maintenance and Monitoring	3	1,283,951	76
TOTAL	5	1,695,751	100

The requests brought forward from Environmental Services require Council approval and are related to electrical inspection services, emergency shut-off valve systems, hazardous/special waste program services, health and safety training, and membrane modules for filtration.

Further details can be found in Attachment 1.

Table 6
Finance
Branch Summary of Direct Purchase, Contract Extension, and Increase Requests

Description	Total (#)	Total (\$)	Total (%)
Controllership Office	2	16,400	0.3
Information Technology Services	7	5,537,500	99.7
Strategy and Transformation	1	-	0
TOTAL	10	5,553,900	100

The requests brought forward from Finance require Council approval and are related to hosting services, internet services, professional writing services, technology software, telecom services, and Wide Area Network services.

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

Table 7
Legal and Court Services
Branch Summary of Direct Purchase, Contract Extension, and Increase Requests

Description	Total (#)	Total (\$)	Total (%)
Court Services	5	158,619	100
TOTAL	5	158,619	100

The request brought forward from Legal and Court Services requires Council approval and are related to technology software and support and transcription services.

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

**Table 8
Transportation Services**

Branch Summary of Direct Purchase, Contract Extension, and Increase Requests

Description	Total (#)	Total (\$)	Total (%)
Business Planning and Technology	4	1,124,929	28
Capital Planning and Delivery	4	1,022,021	25
Transit	4	1,790,362	45
Transportation and Infrastructure Planning	1	95,000	2
TOTAL	13	4,032,312	100

The request brought forward from Transportation Services requires Council approval and are related to consulting services, engineering services, janitorial supplies and services, pedestrian and cyclist sensors, technology licenses and maintenance, technology software and hardware maintenance, training, and Wi-Fi.

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 direct purchase, contract extension, and increase requests, for terms as specified within Attachment 1 and Private Attachment 1. These requests 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.

For more information on this report, please contact, Fadi Samara, Director, Procurement Office at 1-877-464-9675 ext. 71650. Accessible formats or communication supports are available upon request.



Recommended by:

Jason Li, CPA, CA

Acting Commissioner of Finance and Regional Treasurer



Approved for Submission:

Bruce Macgregor
Chief Administrative Officer

November 1, 2021
Attachment (1)
Private Attachment (1)
eDOCS# 13285625