

SUBJECT: Delegation of Authority – Contracts awarded for the period January 1, 2022 to June 30, 2022 for Transit Commission

File Number ACS2023-FCS-PRO-0001

Report to Transit Commission on 9 February 2023

and Council 22 February 2023

**Submitted on January 31, 2023 by Will McDonald, Chief Procurement Officer,
Supply Services, Finance and Corporate Services Department**

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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE

**OBJET : Délégation de pouvoir – Contrats accordés pour la période du 1^{er}
janvier au 30 juin 2022 pour la Commission du transport en commun**

Dossier : ACS2023-FCS-PRO-0001

Rapport au Commission du transport en commun

le 9 février 2023

et au Conseil le 22 février 2023

**Soumis le 31 janvier 2023 par Will McDonald, Chef de l'approvisionnement,
Service approvisionnement, Direction générale des finances et des services
organisationnels**

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Quartier : CITY WIDE / À L'ÉCHELLE DE LA VILLE

REPORT RECOMMENDATION(S)

That the Transit Commission and Council receive this report for information.

RECOMMANDATION(S) DU RAPPORT

Que la Commission du transport en commun et le Conseil municipal prennent connaissance du présent rapport.

BACKGROUND

The Procurement By-law requires the Chief Procurement Officer to submit to Council an information report semi-annually containing the details relevant to the exercise of delegated authority for all contracts awarded by Directors exceeding \$25,000. However, the Transit Commission Terms of Reference direct staff to report to the Transit Commission on OC Transpo's delegated authority. Therefore, the delegated authority information contained in this report and in Document 1 relate only to OC Transpo.

Document 1 of this report provides a detailed listing of all contracts awarded under Delegated Authority exceeding \$25,000 for the period of January 1, 2022 to June 30, 2022 relating to OC Transpo, and identifies the contract category, the professional and consulting services, outsourcing reason, and the non-competitive exception where appropriate.

DISCUSSION**Section 1: Summary of OC Transpo contracts \geq \$25,000**

Document 1 identifies all competitive and non-competitive purchases. The non-competitive purchases references the appropriate subsection of Article 22(1) of the Procurement By-law.

Supply Services certifies that all contracts centrally awarded under delegation of authority for the period of January 1, 2022 to June 30, 2022 are in compliance with the Procurement By-law.

Highlights and Summary of OC Transpo Contracts \geq \$25,000

Table 1 - 2022 Contracts by Period

Quarter	Total Contracts	Total Value
Q1 - Q2 2022	102	\$35,872,803
Q3 - Q4 2022	-	-
Total	102	\$35,872,803

Table 2 - Q1 and Q2 2022 Contracts by Service Area

Service Area	Total Contracts	Total Value
Transit Service Delivery & Rail Ops	3	\$233,075
Safety, Regulatory, Training and Development	1	\$306,375
Transit Customer Systems & Planning	29	\$7,205,666
Transit Bus Operations & Maintenance Service	68	\$28,071,587
None	1	\$56,100
Total	102	\$35,872,803

Table - 3 Q1 and Q2 2022 Professional and Consulting Services for OC Transpo

Service Type	Total Contracts	Total Value
Professional Services	39	\$7,809,395
Consulting Services	0	\$0
Total	39	\$7,809,395

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

LEGAL IMPLICATIONS

There are no legal impediments to receiving this report for information.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a City-wide report. There are no comments by ward councillors.

ADVISORY COMMITTEE(S) COMMENTS

There are no comments or recommendations required by an Advisory Committee for this report.

CONSULTATION

There is no public consultation required for this report.

ACCESSIBILITY IMPACTS

The corporation continues to ensure that City purchases include accessible design, criteria and features as prescribed by section 5 of the Integrated Accessibility Standards Regulations of the *Accessibility for Ontarians with Disabilities Act, 2005*, S.O. 2005, c. 11, and federal legislation, where applicable.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications associated with this information report.

DELEGATION OF AUTHORITY IMPLICATIONS

The Procurement By-law requires the Chief Procurement Officer to submit to Council an information report semi-annually containing the details relevant to the exercise of delegated authority for all contracts awarded by Directors exceeding \$25,000. Transit Commission Terms of Reference direct staff to report to the Transit Commission on OC Transpo's delegated authority. Transit Service's Delegation of Authority is set out in the Delegation of Authority By-law, under Schedule "G".

TERM OF COUNCIL PRIORITIES

This report supports the Term of Council Priorities of Economic Growth & Diversification, Service Excellence through Innovation and Environmental Stewardship.

SUPPORTING DOCUMENTATION

Document 1 – Contracts awarded under delegated authority for the period January 1, 2022 to June 30, 2022

Attachments to this report are in English. The City of Ottawa may translate these attachments or parts thereof on request. Requests should be forwarded to joanneh.graham@ottawa.ca.

Les pièces jointes du rapport sont en anglais. La Ville d'Ottawa pourra, sur demande, les traduire au complet ou en partie. Les demandes doivent être soumises à : joanneh.graham@ottawa.ca.

DISPOSITION

Report forwarded for information pursuant to the Procurement By-law.

Appendix A – Terminology

Where appropriate, staff used the following definitions as outlined in the Procurement By-law to identify the contract category, the professional and consulting services outsourcing reason and the non-competitive exception.

Professional Services

Professional Services means services requiring the skills of professionals for a defined service requirement or for a specific project related deliverable including, but not limited to, the areas of engineering, architecture, design, planning, information technology, financial auditing and fairness commissioners.

Consulting Services

Consulting Services means assistance to management including, but not limited to, the areas of strategic analysis, organizational design, change management, policy development, feasibility studies and other services intended to assist decision making within the organization.

Amendment

An amendment is an increase in the scope of an approved contract, which is unanticipated.

Follow-on Contract

A Follow-on Contract differs from an amendment in that the original contract or bid solicitation document recognizes the fact that it is likely that the initial defined contract scope may be expanded to include a number of related phases that are either included in the tender document or are customary in relation to the work assignment. Rates charged for the Follow-on Contract are reviewed by Supply Services and must be based on those rates proposed by the service provider in the original competitive bid.

Extension

An extension to a contract is not categorized as an amendment or a Follow-on Contract. An extension is a contract term allowing the City to continue purchasing the good or service for an extended period of time where the option to extend the contract was outlined in the bid document or is deemed to be in the best interest of the City.

Extension (As per Section 32(2))

Where a contract contains no option for renewal, Supply Services has delegated authority under the Procurement By-law to extend the contract for a period of time no greater than two years from the date of the expiration provided that:

1. Supply Services and the Director/General Manager agree that based on market conditions or an analysis of future conditions, cost savings or cost avoidance can be obtained by an extension; and
2. The supplier's performance and vendor relations with the supplier have both exceeded the requirements of the Contract.

Non-Competitive Purchases

22(1) The requirement for competitive bid solicitation for goods, services and construction may be waived under joint authority of the appropriate Director/General Manager and Supply Services and replaced with negotiations under the following circumstances:

- a) Where competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, technical secrets or controls of raw material
- b) Where due to abnormal market conditions, the goods, services or construction required are in short supply
- c) Where only one source of supply would be acceptable and cost effective
- d) Where there is an absence of competition for technical or other reasons and the goods, services or construction can only be supplied by a particular supplier and no alternative exists
- e) Where the nature of the requirement is such that it would not be in the public interest to solicit competitive bids as in the case of security or confidentiality matters
- f) Where in the event of a "Special Circumstance" as defined by this By-law, a requirement exists
- g) Where the possibility of a follow-on contract was identified in the original bid solicitation

- h) Where the total estimated project cost for professional services does not exceed \$50,000
- i) Where the requirement is for a utility for which there exists a monopoly