

Semi-Annual Delegation of Authority Report

January 1, 2018 to June 30, 2018

Recommendation

That the October 1, 2018, Financial and Corporate Services report CR_6344, be received for information.

Executive Summary

This report provides details on all non-competitive agreements greater than \$75,000.

For the period of January 1, 2018 to June 30, 2018, Administration entered into a total of 356 agreements over \$75,000. 273 agreements (76%) resulted from a competitive procurement process, with a total value of \$709,562,935. During the same period, Administration entered into 83 agreements (24%) resulting from a non-competitive procurement process, with a total value of \$37,666,634. All competitive procurement agreements follow the City's normal tendering guidelines and are open and accessible to interested suppliers.

Report

City Administration Bylaw 16620 requires the City Manager to report the following information to Executive Committee on a semi-annual basis:

- Procurement agreements arising from non-competitive procurement processes where the value of the agreement exceeds \$75,000.

City Council approves the three-year annual operating and four-year capital budgets. Once approved, Administration expends funds through third-party agreements as necessary to support the effective delivery of City services.

A sizeable majority of the City's agreements are established through open, competitive tender processes to ensure transparency and that value for money is obtained from the City's expenditures.

Pursuant to City Administration Bylaw 16620, approved by City Council on June 28, 2016, the City Manager may approve any procurement agreement resulting from a competitive procurement process and may approve any agreement resulting

from a non-competitive procurement process if the value does not exceed \$500,000 and the term does not exceed ten years. Non-competitive agreements greater than \$500,000 must be approved by the relevant committee of Council.

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For non-competitive agreements, there are several criteria as defined in the Procurement Directive (A1454A) why the City may forego the use of competitive procurement processes, and instead seek competitive quotations or negotiate directly with one or a small number of suppliers, including:

- Where it can be demonstrated that only one supplier is able to meet the requirements of a procurement.
- Where an unforeseeable situation of urgency exists and the goods, services or construction could not be obtained in time by means of open procurement procedures.
- From a public body or a non-profit organization.
- In the absence of a receipt of any bids in response to a call for tenders.
- Where certain financial services are exempt from the requirement to tender.

For non-competitive agreements, the City still ensures value for money by using limited competition (seeking more than one quotation), or alternatively through negotiating the best possible pricing and terms of agreement.

Attachment 1 provides additional information on all non-competitive agreements greater than \$75,000 in the January 1, 2018 to June 30, 2018, reporting period.

Corporate Outcomes and Performance Management

Corporate Outcome(s): The City of Edmonton has a resilient financial position.			
Outcome(s)	Measure(s)	Result(s)	Target(s)
The City of Edmonton delivers valued, quality, cost-effective services to its citizens.	Percentage of all competitive versus noncompetitive procurement agreements by dollar value	<ul style="list-style-type: none"> ● 92% - 2015 ● 96% - 2016 ● 88% - 2017 ● 95% - 2018 YTD (June 30) 	90%

Attachments

1. Delegation of Authority Semi-Annual Report (January 1, 2018 to June 30, 2018)
2. Delegation of Authority Semi-Annual Report (January 1, 2018 to June 30, 2018)
- Details of Non-Competitive Procurement Agreements Greater than \$75,000

Others Reviewing this Report

- M. Sturgeon, Acting Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- R. G. Klassen, Deputy City Manager, Regional and Economic Development
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- P. Ross, Acting Deputy City Manager, Urban Form and Corporate Strategic Development
- R. Smyth, Acting Deputy City Manager, Employee Services
- K. Block, Acting Deputy City Manager, Citizen Services