

# LRT Governance Board Semi-Annual Report

## Recommendation:

That the LRT Governance Board recommend to City Council:

That the LRT Governance Board semi-annual report, as outlined in the February 4, 2014, LRT Governance Board report CR\_902, be received for information.

## Report Summary

**This report provides contract details and summarizes the number and value of tender-calls, sole source contracts, agreements, settlements, judgments, leases, land acquisitions and land dispositions which involve a revenue or expenditure of \$100,000 or greater.**

## Previous Council/Committee Action

At the November 26, 2013, LRT Governance Board meeting, the following motion was passed:

That Administration prepare a draft semi-annual report pursuant to section 6 of Bylaw 15659, The LRT Governance Board Bylaw, for circulation to board members on or before December 17, 2013.

## Report

The LRT Board Governance Bylaw 15659, Part II, Establishment, Mandate, Duties and Authority, 6 (f) requires that:

“Subject to the provisions of this bylaw, all other City bylaws, and Provincial and Federal laws, the Board, in fulfilling its mandate, will ensure best practices are undertaken... and (f) prepare and submit to Council a semi-annual report summarizing the number of tender-calls, sole source contracts, agreements, settlements, judgments, leases, land acquisitions and land dispositions which involve a revenue or expenditure of \$100,000 or greater.”

The vast 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 12005, tendered agreements of less than \$20 million and un-tendered agreements of less than \$500,000 can be approved by the City Manager. Tendered agreements \$20 million or greater, and un-tendered agreements \$500,000 or greater must be approved by the relevant Committee of Council.

For the period of July 1, 2013, through December 31, 2013, Administration approved one agreement for a total value of \$1.329 million. Attachment 1 provides additional information on all of the contracts and expenditures.

All tendered agreements follow the City's normal tendering guidelines and are open and accessible to interested vendors.

For un-tendered agreements, there are several reasons why the City may forego the use of open tender processes and instead seek competitive quotations or negotiate directly with one or a small number of vendors, including:

- Where only one vendor is able to meet the City's requirements (e.g. EPCOR Services, ATCO Gas Company, etc).
- Where an unforeseeable situation of urgency exists and there is insufficient time to conduct a formal open tender process.
- Where the requirement is of a confidential nature and disclosure through an open tender process could compromise confidentiality, cause economic disruption or be contrary to the public interest.

Where agreements are not tendered, 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. There were no un-tendered agreements during the current reporting period (July 1, 2013 to December 31, 2013).

Following a competitive City-run Request for Proposal process for Legal Advisory services, the City selected Borden Ladner Gervais as their Legal Advisor and concluded an agreement in July 2013. The City also led a Request for Proposal process for a Fairness Monitor and awarded a contract to GGC Consultants Inc. in October 2013. This contract is under \$100,000.

### **Policy**

- LRT Governance Board Bylaw 15659
- City Administration Bylaw 12005

### **Corporate Outcomes**

- Citizens use public transit and active modes of transportation
- The City has well-managed and sustainable assets and services

### **Budget/Financial Implications**

Agreements entered into by the LRT Governance Board are within approved budgets.

**Attachment**

1. Summary of Contracts and Expenditures

**Others Reviewing this Report**

- L. Rosen, Chief Financial Officer and Treasurer
- K. Rozmahel, General Manager, Corporate Services