

# Semi-Annual Delegation of Authority Report

January 1, 2019 to June 30, 2019

## Recommendation

That the September 30, 2019, Financial and Corporate Services report CR\_7502, 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, 2019, to June 30, 2019, Administration entered into a total of 201 agreements over \$75,000, with a total value of \$634,225,358. Specifically, 165 agreements (82 percent) resulted from a competitive procurement process, with a total value of \$599,727,029 (95 percent of total value). During the same period, Administration entered into 36 agreements (18 percent) resulting from a non-competitive procurement process, with a total value of \$34,498,329 (5 percent of total value). All competitive procurement agreements follow the City's normal procurement 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 four-year annual operating and 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 procurement 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 may be trade agreement exceptions that apply which enable the City to forego the use of competitive procurement processes, and instead seek competitive quotations or negotiate directly with one or a small number of suppliers. Some of these trade agreement exceptions may include:

- 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/government body.
- In the absence of a receipt of any bids in response to a Request for Proposal.

For non-competitive agreements, the City ensures value for money by using limited competition (seeking more than one quotation), or by 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, 2019 to June 30, 2019, reporting period.

### Corporate Outcomes and Performance Management

<b>Corporate Outcome(s): The City of Edmonton has a resilient financial position.</b>			
<b>Outcome(s)</b>	<b>Measure(s)</b>	<b>Result(s)</b>	<b>Target(s)</b>
The City of Edmonton delivers valued, quality, cost-effective services to its citizens.	Percentage of all competitive versus non-competitive procurement agreements by dollar value.	<ul style="list-style-type: none"> <li>• 92% - 2015</li> <li>• 96% - 2016</li> <li>• 88% - 2017</li> <li>• 95% - 2018</li> <li>• 94% - 2019 to date</li> </ul>	90%

### **Attachments**

1. Delegation of Authority Semi-Annual Report Summary (January 1, 2019 to June 30, 2019)
2. Delegation of Authority Semi-Annual Report Details of Non-Competitive Procurement Agreements Greater than \$75,000 (January 1, 2019 to June 30, 2019)

### **Others Reviewing this Report**

- C. Owen, Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- J. Meliefste, Acting Deputy City Manager, Integrated Infrastructure Services
- R. Smyth, Deputy City Manager, Citizen Services
- S. McCabe, Deputy City Manager, Urban Form and Corporate Strategic Development
- B. Andriachuk, City Solicitor