

# Semi-Annual Delegation of Authority Report

July 1, 2020 to December 31, 2020

## Recommendation

That the March 22, 2021, Financial and Corporate Services report FCS00317, be received for information.

## Executive Summary

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

For the period of July 1, 2020 to December 31, 2020, Administration entered into a total of 294 agreements over \$75,000, with a total value of \$1,279,997,418. Specifically, 263 agreements (89 percent) resulted from a competitive procurement process, with a total value of \$1,260,242,273 (98 percent of total value). All competitive procurement agreements follow the City's normal procurement guidelines and are open and accessible to interested suppliers. Administration entered into 28 agreements (11 percent) resulting from a non-competitive procurement process, with a total value of \$19,384,312 (two percent of total value). Five of these non-competitive procurements are as a result of the City's response to the COVID-19 pandemic (\$8,826,250, 46 percent of the non-competitive total).

## Report

City Administration Bylaw 16620 requires the City Manager to report on procurement agreements arising from non-competitive procurement processes where the value of the agreement exceeds \$75,000 to Executive Committee on a semi-annual basis.

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

A significant majority of the City's agreements are established through open, competitive procurement processes to ensure transparency and value for money.

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 10 years. Non-competitive agreements greater than \$500,000 must be approved by the relevant committee of Council.

For the period of July 1, 2020 to December 31, 2020, Administration entered into a total of 291 agreements over \$75,000, with a total value of \$1,279,626,585. Specifically, 263 agreements (90 percent) resulted from a competitive procurement process, with a value of \$1,260,242,274 (98 percent of total value). All competitive procurement agreements follow the City's procurement guidelines, and are open and accessible to interested suppliers.

During the same period, Administration entered into 28 agreements (10 percent) resulting from a non-competitive procurement process, with a total value of \$19,384,312 (two percent of total value). Five (18 percent) of these non-competitive procurements are as a result of the City's response to the COVID-19 pandemic (\$8,826,250, 46 percent of the non-competitive total). Of these non-competitive procurements related to COVID-19, three of the highest value agreements were awarded to non-profit agencies to provide temporary accommodation for citizens at the Edmonton Convention Centre.

For non-competitive agreements, there may be trade agreement exceptions that apply that 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; or
- 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.

Administration will consolidate this reporting on non-competitive procurements with the City's progress against the Sustainable Procurement Policy (C556A) on a semi-annual basis. The next report will be provided to Executive Committee in Q3 of 2021.

Attachment 1 provides a summary of non-competitive agreements greater than \$75,000 in the July 1, 2020 to December 31, 2020, reporting period. Attachment 2 provides a list of these agreements by Department.

## 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>● 96% - 2019</li> <li>● 98% - 2020</li> </ul>	90%

### Attachments

1. Delegation of Authority Semi-Annual Report Summary (July 1, 2020 to December 31, 2020)
2. Delegation of Authority Semi-Annual Report Details of Non-Competitive Procurement Agreements Greater than \$75,000 (July 1, 2020 to December 31, 2020)

### Others Reviewing this Report

- C. Owen, Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- K. Armstrong, Deputy City Manager, Employee Services
- R. Smyth, Deputy City Manager, Citizen Services
- S. McCabe, Deputy City Manager, Urban Form and Corporate Strategic Development
- K. Fallis-Howell, Acting City Solicitor