

## Section III – Items for the Information of the Board

**TO:** Chair and Members of the Executive Committee  
Friday, April 9, 2021 Meeting

**FROM:** Michael Tolensky, Chief Financial and Operating Officer

**RE:** **PROCUREMENT SUMMARY**  
2020 Annual Summary

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### KEY ISSUE

Receipt of the 2020 summary of procurements approved by the Chief Executive Officer or Designate, Executive Committee, or the Board of Directors.

### RECOMMENDATION

**THAT the 2020 Procurement Summary Report of Toronto and Region Conservation Authority (TRCA) for procurements approved in excess of \$10K in 2020 be received.**

### BACKGROUND

At Authority Meeting #5/05, held on June 24, 2005, staff were requested to report to the Authority on contracts executed by TRCA in excess of \$10K. Pursuant to this resolution, a summary of awarded contracts in 2020 are included in Attachment 1. All contract revisions that were approved in 2020, including previously approved revisions associated with the contract, are recorded in Attachment 2.

At Board of Directors Meeting #8/18, held on October 26, 2018, the Procurement Policy (the Policy) was approved. Approval thresholds and purchasing methods (expense authorization) are included in Attachment 3. As permitted under the Policy, the Chief Executive Officer has designated senior staff to approve purchases up to \$10K which are not included in this summary report. Excluded from the summary report are goods and services exempt from procurement and purchase order approvals (these items are listed in Attachment 4). Attachment 5 lists the non-application criteria for goods and services exempt from public sector procurement guidelines. Attachment 6 includes the criteria for limited tendering (i.e. sole source) procurement.

### FINANCIAL DETAILS

The total value of procurements for TRCA in 2020, in excess of \$10,000 approved by the Chief Executive Officer or Designate, Executive Committee, or Board of Directors, was approximately \$70.1M (\$46.4M in 2019), including contingencies and excluding applicable taxes.

The increase in the total value of approved procurements in 2020 can be attributed to two (2) primary factors. Firstly, the procurement of goods and services for several multi-year and large-scale projects, such as Ashbridges Bay Landform (\$39M), Lakeview Waterfront Connection (\$5.4M), Rockcliffe Flood Remediation Environmental Assessment (\$2M) and Scarborough Waterfront (\$1.5M). Secondly, several large Vendor of Record (VOR) arrangements were established (\$8.5M). The value of these arrangements was estimated based on known expenditures in previous years and a forecast of future expenditures over a single or multiple year contract term.

As shown in Attachment 2, the total value of contract increases was \$26.0M (\$6.9M in 2019) and contract decreases due to scope changes was \$8.3M (\$4.4M in 2019) for a total net value of revisions equal to approximately \$17.7M (\$2.5M in 2019). These contract increases and

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decreases are largely the result of three (3) primary factors. Firstly, there were continual scope changes to the East Don Trail construction project, which has a total contract cost of \$23M. The scope changes are due to the changing and unknown physical site conditions (e.g. seepage areas) reflecting the nature of the project within an environmentally sensitive and deeply incised valley. In addition, the use of contingency on a number of approved revisions was reversed, as it was identified that the changes were related to existing tender items and not new scope of work. Secondly, a few VOR arrangements, such as the supply and delivery of aggregate materials and rental of operated heavy construction equipment, were extended in accordance with the agreement terms and conditions. Lastly, due to staff changes and unknown operational needs at the beginning of the COVID-19 pandemic, several contracts were extended, on a short-term basis, until a new procurement process could be conducted.

In 2020, approximately 71% of approved contracts included a contingency in the range of 10-15% (Attachment 7). The total amount of contingency that was approved in 2020 was \$6.11M, of which approximately \$836K was used by the end of the year. Contracts that were approved in 2020 that are multi-year contracts may have an additional portion of the contingency used over the course of the contract term. Contingencies for new and multi-year contracts will continue to be formally tracked and reported on.

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**Date: March 10, 2021**

**Attachments: 7**

Attachment 1 – Summary of Procurements

Attachment 2 – Contract Revisions

Attachment 3 – Expense Authorization

Attachment 4 – Goods and Services Exempt from Procurement and Purchase Order Approvals

Attachment 5 – Non-Application Criteria

Attachment 6 – Limited Tendering Criteria

Attachment 7 – Contingency Summary