

THE REGIONAL MUNICIPALITY OF YORK

**REPORT NO. 1
OF THE REGIONAL CHIEF ADMINISTRATIVE OFFICER**

**For Consideration by
The Council of The Regional Municipality of York
on June 22, 2006**

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CONTRACT AWARDS AND EXECUTION OF DOCUMENTS**

1. RECOMMENDATIONS

It is recommended that:

1. During the period June 23, 2006 to September 21, 2006, the Regional Chair and the Chief Administrative Officer or in the absence of the Regional Chair, the Chief Administrative Officer and Treasurer be authorized to approve contracts and to authorize property acquisitions where such matters are not authorized by the current purchasing by-law, subject to the conditions set out in this report.
2. The exercise of this authority be subject to the following conditions:
 - (a) the Regional Chair and the Chief Administrative Officer or in the absence of the Regional Chair, the Chief Administrative Officer and Treasurer being satisfied that the authorization to approve the contract or acquire the property, as the case may be, is required to prevent interruption of service delivery or to avoid incurring unnecessary costs;
 - (b) a memorandum outlining the necessity of such requests be submitted to the Regional Chair and the Chief Administrative Officer by the respective Commissioner;
 - (c) any contracts be subject to review and approval by Legal Services as to form and content;

- (d) where the Chief Administrative Officer designates a Commissioner to exercise his duties from time to time pursuant to By-Law No. A-0342-2004-048, such Commissioner shall obtain the signature of a second Commissioner to authorize or approve a contract pertaining to his/her own department; and
- (e) a report be submitted to Regional Council at its meeting on September 21, 2006 to advise of the approval of any contracts under this authority.

2. PURPOSE

The purpose of this report is to seek Council's authorization to delegate the award of contracts and the purchase of property for matters that are not already delegated by the purchasing by-law, in order to ensure the continuity of service delivery over the summer months.

3. BACKGROUND

The Region's purchasing by-law delegates the authority to staff to award and execute contracts for goods and services subject to certain conditions and expenditure limits. Currently, the Chief Administrative Officer is authorized to award contracts for an unlimited amount, provided that a formal tender is issued, three bids are received, and the award is to the lowest responsive bidder. Similarly, the Chief Administrative Officer may award contracts as a result of requests for proposals up to \$500,000.00. There is also authority for the Chief Administrative Officer and Commissioner of Corporate Services to approve land acquisitions up to \$50,000.00.

An amendment to the purchasing by-law was enacted in 2004 to provide that the Chief Administrative Officer may award any contract during the summer recess, provided a report is submitted when Council resumes. Although this assists in ensuring business continuity, there are some matters which are not governed by the purchasing by-law and which would still require Council authority. For instance, real estate transactions, including leases, are not governed by the by-law. In addition, the extension of existing agreements which may not be the subject of a competitive process may also require Council authority.

4. ANALYSIS AND OPTIONS

During the period between the Council meetings in June and September, 2006, authorization may be required to execute contracts and authorize land acquisitions and leases that are not currently authorized by the purchasing by-law. In these circumstances, it is recommended that the authority to make such commitments be jointly delegated to

the Regional Chair and the Chief Administrative Officer. It is also recommended that certain procedures be put in place as follows:

- that a memorandum be submitted by the respective Commissioner indicating the need for the contract;
- that the contract be subject to review and approval by Legal Services; and
- that the authorization to execute the contract or acquire the property is required to prevent interruption of service delay or to avoid incurring extra costs.

This practice has been routinely established in past years to ensure continuity of service delivery.

5. FINANCIAL IMPLICATIONS

Any commitment authorized under the approval process set out in this report will be subject to funds being available in the 2006 budget.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal implications associated with this report.

7. CONCLUSION

In order to ensure continuity of service delivery during the months of July, August and early September, 2006, staff recommend that a process be adopted as set out in this report for approval of contracts and land acquisitions not currently authorized by the purchasing by-law. The authority would be exercised only where strictly essential and would be subject to a report to Council at its meeting in September to advise of any commitments made under this authority.

Respectfully submitted,

**June 20, 2006
Newmarket, Ontario**

**M. Garrett
Chief Administrative Officer**

(Report No. 1 of the Chief Administrative Officer was adopted, without amendment, by Regional Council at its meeting held on June 22, 2006.)