Minute No. 419
Report – Executive Policy Committee – June 10, 2015

Item No. 3 Consultant and Single Source Assignments – January 1 to December 31, 2014

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the Consultant and Single Source Assignments report for January 1 to December 31, 2014, including Appendices, be received as information.

Report – Executive Policy Committee – June 10, 2015

DECISION MAKING HISTORY:

Moved by His Worship Mayor Bowman,

That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 10, 2015, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: **CONSULTANT AND SINGLE SOURCE ASSIGNMENTS JANUARY 1, 2014 TO DECEMBER 31, 2014**

Critical Path: **EXECUTIVE POLICY COMMITTEE - COUNCIL**

AUTHORIZATION

Author	Department Head	CFO	CAO
B. D'Avignon	Mike Ruta	Mike Ruta	M. Jack A/COO

RECOMMENDATIONS

That this Report, including Appendices, be received as information.

REASON FOR THE REPORT

On March 24, 2004, Council adopted Item 1 of the Report of Executive Policy Committee, dated March 10, 2004, delegating to the Chief Administrative Officer certain authorities of the Materials Management Policy. Under Administrative Standard FM-002, issued pursuant to the Materials Management Policy, the Chief Administrative Officer is required to report annually to Council on the assignment of consultants.

In March 2015, the Public Service was requested to report on the use of single source authority, exceeding $100,000, on an annual basis. The Agreement on Internal Trade sets the threshold for goods and services requiring public solicitation at $100,000.

IMPLICATIONS OF THE RECOMMENDATIONS

None

HISTORY

CONSULTANT ASSIGNMENTS

On May 12, 2010, Executive Policy Committee received as information, details of an amendment to Administrative Standard FM-002 that, effective January 1, 2011, competitive bids are required for:

a) consultant services relating to capital projects included in the capital budget, where the estimated value of the consultant service exceeds $100,000 in total, including all phases of any given project;

b) consultant services, other than those related to capital projects, where the estimated value of the consultant service exceeds $35,000 in total, including all phases of any given project.

unless otherwise authorized by Executive Policy Committee.

On June 27, 2012, Council authorized the Chief Administrative Officer to:

a) amend Administrative Standard FM-002 to require submission of the Report on Consultant Assignments to Council on an annual basis; and

b) report annually, where the Chief Administrative Officer has approved a single source exceeding certain specified dollar amounts, as part of the Report on Consultant Assignments to the Executive Policy Committee.

Executive Policy Committee recommends, where the Chief Administrative Officer approves a single source assignment, pursuant to B4.1 (j) (emergency), which exceeds the dollar amount set out above, such approvals be reported at least annually.

The following Appendices contain information obtained from each department relating to Consultant services for the period of January 1 to December 31, 2014.

- Appendix A (pg. 6) - Summary of all "other than Capital" contracts summarized by Type of Service and Total Payment for **all** City departments.
- Appendix B (pg. 7) - Summary of all "other than Capital" contracts summarized by Type of Service and Total Payment for **each** department.
- Appendix C (pg. 10) - Details of "other than Capital" contracts.
- Appendix D (pg. 19) - New single source for 2014 "Other than Capital" and "Capital" with an explanation for any single source exceeding the limits set out by Executive Policy Committee effective January 1, 2011.

All entries have been reviewed for compliance with Administrative Standard FM-002. Where inconsistencies occur, an explanation is included on the spreadsheet.

The Report includes all Public Service Departments.

The Mayor and Council assignments are reported in the annual Councillors' Representation Allowance Fund audit.

Consultant services are services provided directly to the City of Winnipeg (City), as defined in Administrative Standard FM-002 including:

- Medical doctors, dentists, nurses, pharmacists, veterinarians, engineers, land surveyors, architects, accountants, lawyers and notaries, accredited real estate appraisers, agrologists, dietitians, home economists, interior designers, occupational therapists, optometrists, physiotherapists, psychiatric nurses, psychologists, trainers, speech and hearing therapists and landscape architects
- Communications consultants, Information technology consultants, management consultants, and training consultants

Where competitive bids are not required and the assignment is approved by the Department Head, the following applies:

For "other than Capital" Consultant assignments, over-expenditures can be approved by the Department Head up to a total value (including the over-expenditure) of $35,000.

For "Capital" Consultant assignments, over-expenditures can be approved by the Department Head up to a total value (including the over-expenditure) of $100,000.

All over-expenditures on single source Consultant assignments exceeding the above amounts are approved by the Chief Financial Officer.

In no case are over-expenditure approvals made without funds being available in an approved budget.

SINGLE SOURCE ASSIGNMENTS

In March 2015, the Public Service was requested to provide Executive Policy Committee (EPC) with a report on the use of single source authority, on an annual basis.

Appendices E, F, and G include all single source approvals exceeding $100,000.

> The Agreement on Internal Trade sets the threshold for goods and services requiring public solicitation at $100,000.

The Report is submitted to EPC in the first quarter of 2015 as an addition to the annual Report on Consultant Assignments.

The Report contains single source procurements approved by:

- Council, exceeding $1 million
- Public Service $100,000 to $1 million

Council and the Public Service have certain authorities for approving single source transactions under very strict guidelines. The guidelines are included in B4 of the City's Materials Management Policy (Policy) and apply to all procurement under the Policy.

Appendices E, F, and G do not include Consultant Assignments.

Examples of single source are:

Compatibility: where the parts or service for equipment or programs are purchased from the authorized distributor/OEM. E.g. Equipment repair at treatment plants, parts for Fire Trucks, maintenance for computer programs.

Statutory Right: where the contractor has a right to perform work on their own property. E.g. Manitoba Hydro.

The following Appendices contain information on the use of single source authority for the period of January 1 to December 31, 2014.

- Appendix E (pg. 32) - Summary of Single Source Approvals.
- Appendix F (pg. 33) - Approved By Public Service.
- Appendix G (pg. 37) - Approved By Council.

FINANCIAL IMPACT

COMMENTS: No financial impact as this report is for informational purposes.

Approved by:
Ramona Hodges
Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

Corporate Controller's Division
Department heads

SUBMITTED BY

Department: Corporate Finance
Division: Materials Management Division
Prepared by: T. Schirlie
Date: April 10, 2015