

COMMUNICATION 135010

Received from Diane Smithson, Chief Administrative Officer
Addressed to Committee of the Whole
Date February 20, 2024
Topic CAO's Report – Delegated Authority

SUMMARY

The intent of the Delegated Authority By-law is to allow items of a more routine, operational nature to be delegated to Staff to allow for timely decision making and to free up time on Council agendas for more important matters.

BACKGROUND

In May 2018, Council passed its first by-law to delegate authority for some matters to staff in order to eliminate work of a more operational matter at the Council table, free up time at Council and Committee meetings for more important matters and improve timing of decisions. Under Section 23.1 of the Municipal Act, Council is authorized to delegate its powers and duties to a person. As new items are recommended for inclusion on the list, they will be tracked and brought forward about once a year for consideration by Council. The initial by-law has been updated as new items have been added to the By-law with the most recent by-law being passed in 2020. Since then, the by-law has been updated numerous times.

At the time the Delegated Authority By-law was recommended by Staff, it was suggested that a monthly report be made by the CAO to update them on any delegated authority items that had been approved, particularly in the areas of tenders, requests for proposal approvals, and staff hiring. The CAO only prepares reports when there are new items to report on, which may not be on a monthly basis.

COMMENT

The following matters received approval under Delegated Approval since the last report:

PROCUREMENT:

1. The 2024 capital budget included \$244,000.00 for the supply and installation of two (2) dehumidifiers (identified in Town's Asset Management Plan) and components, including a third dehumidifier to operate the underfloor heating for Arena 2 to allow it to operate year-round. These items were purchased through CIMCO Refrigeration Inc. under the Association of Municipalities of Ontario (AMO) - Local Authority Services (LAS) Municipal group buying program. The buying program assists municipalities with the purchase of products and services that they use on a regular basis. The group buying program brings all the local providers of those goods and services together so municipalities can access high quality, competitively priced goods and services and not have to go through the procurement process because it is completed for them in advance. All companies that are part of the group buying program have undergone a formal competitive bid process that ensures compliance with all purchasing by-laws and trade

agreements. The Town's net cost to purchase the dehumidifiers and underfloor heating is \$225,856.00 which does not include any HST as the Town receives a 100% HST rebate for projects at the Arena. The budget surplus of \$18,154.00 will be used for any contingency items which may arise during installation.

2. Related to Item #1 above, is the award of a single source procurement to JFB Fabrication Services Inc. for the fabrication of the support stands for the two new replacement arena dehumidifiers and the new arena dehumidifier component for the underfloor heating for Arena 2. JFB Fabrication Services Inc. designed, engineered, fabricated and installed the same dehumidifiers for the Town of Arnprior in 2023. As a result, it was beneficial for the Town to award this contract to this firm for savings in the design and engineering of the support stands. The 2024 budget included \$78,000.00 for the support stands. The price submitted for this work was \$72,000.00 including the Town's net share of HST, resulting in a budget savings of \$6,000.00. Staff recommends using the savings towards any contingency items which may arise during installation.
3. The approved 2024 capital budget includes \$40,000.00 allocated for the preparation of a Development Charges Background Study and By-law. Staff awarded this work through a sole-source contract to Watson & Associates Economists Ltd. in accordance with the Town's Procurement By-law 57-2017 in the amount of \$39,250.00 plus HST. When taking into account the Town's net share of HST, the project came in at \$39,940.80. As background, the Town's last study commenced in 2019 and in 2021, By-law 41-2021 was passed adopting the findings of the Study. In 2019, the Town retained Watson & Associates Economists Limited to prepare the Town's Development Charges Background Study and By-law in accordance with the Development Charges Act. Since completing the Town's 2019 study, the firm has been readily available to address Staff's questions and it should be noted, at no charge. As the firm completed the Town's last Development Charges Background Study and By-law, they have the background information and understanding of the Town, its growth and development and projects which were included in the last study which may carry-over into this new study. Staff believe this will save significantly in terms of the fees that would have been charged to the Town if we had to start fresh with a new firm which would need to get up to speed. Their intimate knowledge with our community, our growth and development and projects will ensure the comprehensive, cost-effective and timely completion of the afore-mentioned Development Charges Background Study and By-law.
4. The approved 2024 capital budget includes \$2,300,000.00 allocated for the 2024 road reconstruction, rehabilitation and overlay program which includes the reconstruction of Nelson Street, Alexander Street, St. Paul Street, Ramsay Street, Wilson Street, Donald Street, the resurfacing of the Moore House parking lot and Library parking lot, and overlays on Judson Street, Blair Street and LeMaistre Street. Nelson Street will also see an upsizing of the watermain to accommodate future growth funded from Development Charges estimated at an

additional \$460,000.00. Generally, the detailed design of the Public Works (PW) Road Program would fall to the PW Technologist. Unfortunately, this position has been vacant since September 1, 2023, and recent recruitment attempts have been unsuccessful. The detailed designs must move forward at this time in order to tender in the spring in order to achieve competitive contractor pricing. Staff awarded this work through a sole-source contract to Jp2g in accordance with the Town's Procurement By-law 57-2017 with an upset limit of \$80,900.00 plus HST. Jp2g has been providing construction support services to the Town over the past several years for our road reconstruction, rehabilitation and overlay program. The PW Director previously worked with Jp2g on detailed design and construction projects in Arnprior and Almonte with great success. Staff have found Jp2g staff to be responsive, thorough and timely in producing their assigned work, as well as providing very competitive pricing for their services. Staff will employ any unspent salary allocated to the PW Technologist position in 2023/2024 for this assignment (until the position is filled) with the balance being taken proportionately from the 2024 PW Road Program budget and Development Charges.

5. Staff entered into a purchasing contract with CIMCO Refrigeration Inc. through Local Authority Services (LAS) for the supply of two Refrigeration Brine Pumps - LAS Contract #120320-CIM. LAS undertakes the procurement process on behalf of municipalities and the Town is able to access their pricing. The 2024 budget for the supply and installation of the Brine Pumps is \$66,440.00 + HST. The Town receives a 100% HST rebate for projects at the Arena resulting in the net cost to the Town being \$66,400.00. As a result, the project is under budget by \$13,560.00. Staff recommends utilizing any remaining funds for contingency items that may arise during installation.
6. The approved 2024 capital budget includes \$195,000.00 allocated for a new Loader Mounted Snow Blower. This is a lifecycle replacement and includes the trade-in of our existing snow blower. The Town is taking advantage of the pricing obtained from Local Authority Services (LAS) in the procurement of this Loader Mounted Snow Blower. Staff awarded the contract for the supply of a new Loader Mounted Snow Blower to J. A. Larue Inc. in the amount of \$187,976.16 resulting in a budget surplus of \$7,023.84 after taking into account the Town's net share of HST and a trade-in allowance of \$15,000.00 for the Town's existing snow blower.
7. The Town's 2024 capital budget includes \$130,000.00 for the procurement of a Wachs Vacuum Trailer. This is a specialized unique piece of equipment that does not have other competitors. As a result, Staff awarded this procurement under single source procurement to Wachs Vacuum Trailer in the amount of \$127,561.20. After taking into account the Town's net share of HST, the total cost comes in at \$129,806.28, just slightly under budget.
8. The Town's 2024 capital budget includes \$100,000.00 for a Service Delivery and Fee Review of the Recreation and Culture Department. An RFP was issued to

retain a consultant to undertake this work. At RFP closing, the Town received four (4) submissions. After reviewing the proposals, the project was awarded to KPMG LLP in the amount of \$74,971.00 plus HST. The Town's net cost is \$74,971.00 as the Town receives a 100% HST rebate on this project work. As a result, this project came in \$25,029.00 under budget.

STAFFING:

None

OTHER:

None

FINANCIAL IMPACT

There are no additional budget implications associated with these matters other than what is included in Departmental budgets. It should be noted that all tendered items included in this report resulted in savings to the Town.

RECOMMENDATION

THAT Council receive as information the CAO's Delegated Authority Report dated February 20, 2024.