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## **Non-Competitive Approval to Teranet for Extension of Easement Mapping Data Licencing Staff Report to Council**

Report Number: 2023-25

Department(s): Procurement Services and Data Analytics and Geospatial Services

Author(s): Annaliese Vollick and Tracy Assis

Meeting Date: April 17, 2023

### **Recommendations**

1. That the report entitled non-competitive approval to Teranet for the Extension of the Easement Mapping Data Licencing dated April 17<sup>th</sup> 2023 be received; and,
2. THAT the existing contract with Teranet Enterprises Inc. for the Town's Easement Mapping Project be extended non-competitively for an additional term of five years from January 1st 2023 to December 31st 2027, at an additional cost of \$31,320.00 plus HST; and
3. THAT the extension agreement be signed by the Director, Information Technology and the Manager of Procurement Services; and
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

### **Purpose**

The purpose of this report is to request Council's approval to extend an agreement with Teranet Enterprises Inc. for the maintenance of the Town's Easement Mapping Project in an additional amount of \$31,320.00 plus HST. The term of the proposed extension is five years from January 1 2023 to December 2027 (the "Extension Term") for a total cost of \$31,320.00 plus HST. This increases the previously approved contract value of \$85,779.00 plus HST to \$117,099.00 plus HST.

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## **Background**

### **Easement Mapping Project**

The Town of Newmarket's, Development and Infrastructure Services Commission submitted a funding application in 2018 for water and wastewater projects under the Clean Water and Wastewater Fund (CWWF). The Town of Newmarket was successful in receiving approximately \$2.5 million dollars in grants to include funding for the "Development and Implementation of a GIS Strategy for Water and Wastewater Linear Assets" project (the "Easement Mapping" project).

The objective of this project was the accurate mapping of the Town's infrastructure assets, confirmation whether these Town infrastructure assets are situated within an easement in favour of the Town allowing access to same, and recommendations for next steps to secure Town easement rights where assets are not protected by a Town easement.

### **Teranet is the sole authoritative source of easement information**

In 1991, Teranet became the agent of the Ontario Government for land registry and associated data and documents. This exclusive contract will expire in 2067. The authoritative source of property and ownership information, including easements, is Teranet only.

### **The Easement Mapping Project Successfully Created a Town of Newmarket Inventory of Infrastructure Assets and Related Easements**

The Easement Mapping project resulted in an up-to-date Town of Newmarket inventory of infrastructure assets and related easements permitting the self-service of Town staff in multiple departments to readily determine: the type of Town infrastructure asset located within a private property; the ownership of the private land where the Town infrastructure is located; and whether Town staff can legally access the lands to maintain or repair the Town infrastructure asset.

Through this project, Teranet also provided quarterly mapping easement updates to the Town which were critical to maintaining the data collected up to date.

### **The initial contract with Teranet was approved at an administrative level**

Approval of justifiable non-competitive acquisitions under \$100,000.00 are approved at an administrative level in accordance with Schedule D, Table 5 of the Town's Procurement By-Law 2014-27, as amended.

The initial contract with Teranet was \$85,779.00 plus HST, and it was therefore approved at an administrative level in 2018 given that it was under \$100,000.00 and Teranet is the sole supplier of the required information. The term of the initial agreement

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with Teranet was from January 2018 to December 2022 and an extension to the agreement was not contemplated at the time.

## **Discussion**

### **Extension of the agreement with Teranet for an additional term of five years is required to keep data current**

It is important to the Town to continue to receive the quarterly easement mapping updates from Teranet through the extension of the agreement to ensure that the data collected to date through the easement mapping project does not become out of date. If an extension is not approved and the data collected becomes out of date and no longer reliable, this would result in possible duplication of costs to the Town to update the data to a current state.

In addition to this, having an easement inventory that is available to all staff reduces Teraview searches and the reliance on Legal staff to confirm easement details.

### **Annual Support and Maintenance Fees for the extension are fair when compared to the original agreement**

While there is no other supplier that can provide the easement mapping deliverables, staff recognize it is important to ensure that Town expenses are fair and reasonable: The annual support fees for the Extension Term have increased by 1.8% only from the previous term. The annual support fees in the original term were in the amount of \$6,150.00 plus HST, whereas in the proposed Extension Term, the annual fee is \$6,261.00 plus HST.

### **Single and Sole Source Procurements Exceeding \$100,000.00 Require Council Approval.**

In accordance with Schedule D, Table 5 of the Towns Procurement By-Law 2014-27, as amended, any single or sole source procurement expected to exceed \$100,000.00 requires prior approval from Council. Procurement Services views the total amount spent on a contractor when determining whether the threshold has been exceeded. Therefore, while the additional amount for the Extension Term is below the threshold at \$31,320.00 plus HST, when added to the original contract amount, the total for the contract is \$117,099.00 plus HST.

The proposed non-competitive extension of the agreement with Teranet is supported by section 13.6, (v) of the Town's Procurement By-Law 2014-27 whereby the supplier's unique and singularly available capability to meet the required deliverables is of significant consideration.

In addition to this, this non-competitive acquisition is further supported by the government provisions of the trade treaties whereby goods or services may be acquired

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with one supplier only when no other reasonable alternative exists and there is no reasonable competition possible.

## **Conclusion**

It is recommended that the extension agreement with Teranet Enterprises Inc. be approved in order to ensure the Town's investment in creating a thorough internal easement database is maintained current and continues to be useful.

## **Business Plan and Strategic Plan Linkages**

*Well Equipped and Managed; Efficiency/Financial Management* – Ensuring effective and efficient services, as well measuring and benchmarking our financial performance.

## **Consultation**

The Information Technology Department consulted with Procurement Services to ensure the proposed extension agreement aligned with the Town's Procurement By-Law and applicable trade treaties.

## **Human Resource Considerations**

There are no Human Resources considerations.

## **Budget Impact**

There are sufficient funds for the fees associated with the on-going maintenance (\$6,264 per year) held in operating GL 13621.4482.

## **Attachments**

None

## **Approval**

Annaliese Vollick, Manager, Data Analytics and Geospatial Services, Information Technology

Karthik Venkataraman, Director, Information Technology

Tracy Assis, Manager, Procurement Services

Karen Reynar, Director, Legal and Procurement Services

Esther Armchuk, Commissioner, Corporate Services

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## **Contact**

Annaliese Vollick, Manager, Data Analytics and Geospatial Services, Information Technology