

Secretariat

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The following item arises from the Building and Property Committee meeting of September 28, 2017. It is presented to the Board of Governors for its consideration.

I. FOR ACTION BY THE BOARD OF GOVERNORS**1. Renewal of Delegation of Authority under the Act respecting [BP17-01]
Contracting by Public Bodies to Vice-Principal (Administration and Finance)**

The *Act respecting Contracting by Public Bodies*, R.S.Q c. C-65.1 establishes the conditions under which the University, as a public body under the *Act*, may enter into construction, supply and service contracts. Under the *Act*, the Board of Governors is designated as the Chief Executive Officer, however, the *Act* allows the Chief Executive Officer to delegate, by resolution, all or part of its authorities to a member of the senior administrative personnel of the University.

At its meeting of February 27, 2014, the Board of Governors approved a delegation to the Vice-Principal (Administration and Finance), for the period of March 1, 2014 to December 31, 2017, the authority, responsibility and functions conferred on the Chief Executive Officer under the *Act* with the exception of the following:

1. Contract approvals under sections 21.5 (2) and 21.20 (2) of the *Act* pertaining to a supplier who is ineligible for public contract, or a supplier that does not hold the authorization issued by the *Autorité des marchés financiers*, respectively;
2. Other contract approvals, or approvals of contract amendments where the value of the contract or the amendment is greater than the limit of the Vice-Principal (Administration and Finance)'s authority as established under the University's *Regulations Relating to the Approval of Contracts and Signing Authority*;
3. Approval of a Procurement Policy and amendments thereto;
4. The annual declaration to the Treasury Board on compliance of the University's procurement process with the *Act*.

The Committee recommends the renewal of the delegation to the Vice-Principal (Administration and Finance) effective immediately until April 30, 2021, with proposed changes described in Appendix A as a result of the University's experience with the current delegation and to reflect recent changes in the regulatory framework of the *Act*.

Appendix A has been organized in three tables, as follows:

- Items 1-6: functions delegated by the Board to a signing officer;

- Items 7-14: new or modified legislative functions that are delegated by the Board to a signing officer;
- Items 15-19: functions remaining under the authority of the Board.

The Board is asked to delegate functions identified in Appendix A to the Vice-Principal (Administration and Finance) or the Associate Vice-Principal (Facilities Management and Ancillary Services). For functions remaining under the authority of the Board (items 15-19), the Board would authorize the signing officer at the time that the matter is considered by the Board.

Be it resolved that the Board of Governors, on the recommendation of the Building and Property Committee approve to delegate respectively to, (1) the Vice-Principal (Administration and Finance) or (2) the Associate Vice-Principal Facilities Management and Ancillary Services, without authority to sub-delegate, the authority, responsibility and functions conferred on the Board of Governors as Chief Executive Officer under the Act respecting Contracting by Public Bodies, R.S.Q, c. C-65.1 (the "Act"), as amended from time to time, the whole in accordance with Appendix A;

Be it further resolved that the Board of Governors approve, adopt, ratify and confirm for all legal purposes all functions, including all actions and decisions performed or taken on behalf of The Royal Institution for the Advancement of Learning/ McGill University under the Act in relation to the above, to the date hereof;

Be it resolved that the Board of Governors approve that the present resolutions become effective immediately upon approval by the Board of Governors, and remain in force until April 30, 2021.

II. FOR THE INFORMATION OF THE BOARD OF GOVERNORS

1. Energy Management Plan: 2016 – 2020 Implementation Phase [BP17-04]

The Committee received the University's Energy Management Plan: 2016 – 2020 Implementation Phase for information. McGill's Energy Management Plan: 2010-2015 responded to the Ministry of Higher Education's (then *Ministère de l'Éducation, du Loisir et des Sports du Québec*) request that all post-secondary institutions in the province reduce their energy use intensity (EUI) (GJ/m²) by 14% relative to 2002 – 2003 without specifying targets for individual institutions. The Report indicated that since 2010, McGill has strategically invested \$20 million in energy conservation projects and programs and has successfully reduced energy use intensity by 26% and building-related greenhouse gas emissions by 34%, relative to 2002-2003 levels. This has resulted in \$3.8 million recurring annual savings, which along with \$2.7 million received by McGill in incentives from government and utility programs, represents an overall payback period of 4.7 years.

The 2016 – 2020 iteration of the Energy Management Plan will focus on the transition of buildings from static energy “consumers” to dynamic smart grids, furthering McGill’s long-term goal of becoming carbon neutral. Expected impacts include a 22% reduction in energy use intensity below the provincial government-newly defined 2012-2013 baseline as well as a 64% reduction in building-related greenhouse gas emissions below the 1990 levels. Strategic investments in energy conservation in the order of \$22 million have been identified to reach these targets. Annual savings upon implementation are estimated at \$3.99 million for an overall payback of 4.3 years.

2. Update on Property Acquisition

The Committee received an update regarding the property acquisition of 680 Sherbrooke St. W. The Committee was informed that the closing of the purchase took place on August 9, 2017.

3. Reports

The Committee received the following updates and reports for information:

- Report and Review of Major Construction Projects with Financial Summary
- Quarterly Report on Purchases, Leases and Construction Contracts between \$1 million and \$4 million
- Update on Agreement with Municipal and Provincial Governments
- Update on Royal Victoria Hospital Redevelopment Project
- Update on Organizational Review of Information Technology Project Management Unit

END
October 2017

Delegation of Authority under An Act respecting Contracting by Public Bodies to Signing Officers designated by the Regulation on Signing Authority

APPENDIX A

Authority, responsibility and functions of the CEO delegated to Signing Officers		Reference	Delegate
1	Authorize the execution of a contract of a confidential or protected nature, involving an expenditure equal to or greater than the public call for tenders threshold.	ACPB art. 13, par 1, par 3	VP A&F
2	Authorize the execution of a contract involving an expenditure equal to or greater than the public call for tenders threshold, for which a public call for tenders would not serve the public interest.	ACPB art. 13, par 1, par 4	VP A&F
3a	Authorize an amendment that results in an additional expense of more than 10% of the value of the construction contract, with an initial expenditure equal to or greater than the public call for tenders threshold.	ACPB art. 17, par 2	VP A&F or AVP FMAS
3b	Authorize an amendment that results in an additional expense of more than 10% of the value of any contract other than a construction contract, with an initial expenditure equal to or greater than the public call for tenders threshold.	ACPB art. 17, par 2	VP A&F
4	Authorize the publication of a public call for tenders for a construction contract that demands a period of validity of the tenders greater than 45 days.	RCTC art. 39, par 1	AVP FMAS
5	Authorize a waiver of the requirement to enter into an information technology professional services contract, with an expenditure of \$ 500,000 or more, with a service provider holding an ISO 9001: 2015 registration certificate.	DGC art. 6	VP A&F
6	Authorize exceptions to conditions 1 °, 3 °, 6 ° and 9 ° related to the workings of a selection committee.	DGC art. 10	VP A&F

ACPB Act respecting contracting by public bodies

DGC Directive de gestion contractuelle

RCA Regulation respecting certain supply contracts of public bodies

RCS Regulation respecting certain service contracts of public bodies

RCTC Regulation respecting construction contracts of public bodies

RCTI Regulation respecting contracting by public bodies in the field of information technologies

DRCGC Directive de reddition de compte en gestion contractuelle

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Authority, responsibility and functions of the CEO delegated to Signing Officers (Modified or New)		Reference	Delegate
7 (Modified to include RCTI)	Allow the rejection of a tender whose price is unusually low.	RCA, RCS, RCTC, RCTI, chapter II, section IV.1	VP A&F
8 (Modified to include RCTI)	Authorize the execution of a contract with an expenditure equal to or greater than the public call for tenders threshold; <ul style="list-style-type: none"> with the only supplier, service provider or contractor who has submitted a compliant tender; with the only supplier, service provider or contractor who has submitted an acceptable tender following a quality evaluation 	RCA art. 33, par 2; RCS art. 46, par 2; RCTC art. 39, par 2; RCTI art. 57, par 2.	VP A&F
9 (Modified to include RCTI)	Authorize the launch of a public call for tenders comprising a tendering rule allowing the conclusion of a delivery order contract with multiple suppliers, the prices of which do not exceed the lowest price by more than 10 %.	RCA art. 18, par 2 RCTI art 43, par 2	VP A&F
10 (Modified to include RCTI)	Authorize the execution of a contract, the duration of which, including any renewal, is greater than 3 years, but not more than 5 years in the case of a delivery order contract.	RCA art. 33, par 1 RCTI art. 57, par 1	VP A&F
11 (Modified to include RCTI)	Authorize the execution of a contract of a repetitive nature, the expected duration of which including any renewal, is greater than 3 years, but not more than 5 years if it is a task order contract.	RCS art. 46. par 1 RCTI art. 57, par 1	VP A&F
12 (New)	Issue a call for tenders involving a competitive dialogue	RCTI art.19	VP A&F
13 (New)	Continue the procedure of a call for tenders involving a competitive dialogue when only two tenderers meet the selection criteria	RCTI art.20	VP A&F
14 (New)	In the context of a frame agreement signed by the Centre des services partagés du Québec with a supplier or service provider, execution of a contract by mutual agreement based on criteria other than price	RCTI art. 48, par 2, par (2)	VP A&F

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Authority, responsibility and functions of the CEO remaining with the Board of Governors		Reference
15	Signature of the declaration of the chief executive officer to be transmitted annually to Treasury Board Secretariat.	DRCGC, item 8
16	Authorize the execution of a contract with an ineligible company, or a public subcontract directly attached to a public contract with an ineligible company, where there is an emergency and the safety of persons or property is at stake.	ACPB art. 21.5, par 2
17	Authorize the execution of a contract with an unauthorized company, or a public subcontract directly attached to a public contract with an unauthorized company, where there is an emergency and the safety of persons or property is at stake.	ACPB art. 21.20, al 2
18 (New)	To authorize the execution of a contract, involving an expenditure of \$ 50,000 or more, with a natural person not exploiting a sole proprietorship, or, in the case of successive contracts, for the conclusion of a new contract if the sum of the expense of the new contract with the expenses of the previous contracts is equal to or greater than \$ 50,000.	DGC art. 16
19 (New)	Authorize an amendment that results in an additional expenditure of more than 10% of the value of a contract involving an expenditure of \$50,000 or more, entered with a natural person not exploiting sole proprietorship.	DGC art. 18, par 2

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