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BUDGET INFORMATION REQUEST (BIR) - E-Procurement Growth & Contract Terms
Requested by: Councillor Biermanski
Date of Request: October 24, 2026
Date Response Due: October 30, 2026
Confidential: No

QUESTION

Regarding the increase in E-Procurement applications and Administrations planned focus on longer term contracts, what is the maximum length of term contracts and are all contracts being signed with a termination clause?

RESPONSE

Long-term agreements are used for operational services where the City has an ongoing and recurring need that is funded through annual operating budgets, or Council-approved multi-year capital growth and repair, maintain and replace (RMR) budgets. Examples include snow removal, janitorial services, multi-year approved fleet vehicles (busses) and software licensing and support agreements.

The City typically structures these agreements with an initial term and optional renewal periods. As a general practice, the total contract term, including renewals, does not exceed 5 years. For example, an agreement may be awarded for an initial thee-year term with 2 one-year renewal options, for a maximum potential term of five years.

All City standard contract templates contain termination provisions. These clauses provide the City with the ability to terminate an agreement for convenience or cause helping to manage risk and protect the City's interests if service requirements, performance expectations, or operational needs change.

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Author(s): Alicia Ushko
Department: Financial & Strategic Services
Department Director: Anne Victoor
Managing Director: Diane McMordie
Chief Administrative Officer: William Fletcher