

# **Non-Competitive Contract with Forests Ontario to Implement the Tree Seed Diversity Program 2022-2031 for Parks, Forestry and Recreation**

**Date:** October 6, 2021

**To:** Infrastructure and Environment Committee

**From:** General Manager, Parks, Forestry and Recreation and Chief Procurement Officer, Purchasing and Materials Management Division

**Wards:** All

## **SUMMARY**

---

The purpose of this report is to request City Council approval for the General Manager, Parks, Forestry and Recreation to negotiate and enter into a non-competitive agreement with Forests Ontario for the supply and delivery of 197,045 native source-identified trees and shrubs over a period of ten years through the Tree Seed Diversity Program. The agreement is in the amount of \$3,329,892 excluding all taxes and charges (\$3,388,498 net of HST recoveries).

The Tree Seed Diversity Program will secure source-identified native plant material for Urban Forestry's natural area planting programs, including community planting and restoration planting in parks, ravines and Environmentally Significant Areas. Planting source-identified trees and shrubs will improve genetic diversity and support an ecosystem that is more resilient to climate change impacts, an important goal of both the Ravine Strategy and Strategic Forest Management Plan. This 10-year service agreement will include native seed forecasting, seed collection, tracking, monitoring and coordination with an Ontario nursery (or nurseries) to grow this plant material. A minimum contract period of 10 years is required to allow for development of stock forecasting, collection sources and services and to address the variability of species seed production to grow stock from seed to a size suitable for planting, ranging from 3 to 7 years.

The services provided by Forests Ontario cannot be obtained through the competitive procurement process due to the specialized knowledge, capacity and resources required to perform this work which is lacking in the market place. Forests Ontario has over 20 years of experience in the business of planning and managing tree seed collection and propagation of plant material in southern Ontario. Forests Ontario has also successfully provided the City with over 15,000 native source-identified trees since 2009.

City Council approval is required in accordance with *Municipal Code Chapter 195 - Purchasing*, where the current request exceeds the Chief Procurement Officer's authority of the cumulative five year commitment limit for each vendor under *Article 7, Section 195-7.3(D)* of the Purchasing By-law and exceeds the threshold of \$500,000 net of HST allowed under staff authority as per the *Toronto Municipal Code, Chapter 71- Financial Control, section 71-11(A)*.

## RECOMMENDATIONS

---

The General Manager, Parks, Forestry and Recreation and the Chief Procurement Officer recommend that:

1. City Council grant authority to the General Manager, Parks, Forestry and Recreation, to negotiate and enter into a non-competitive agreement with Forests Ontario, for the supply and delivery of 197,045 source-identified native trees and shrubs over a 10-year period (2022-2031) through the Tree Seed Diversity Program, in the amount of \$3,329,892 excluding all taxes and charges (\$3,388,498 net of HST recoveries), on terms and conditions satisfactory to the General Manager, Parks, Forestry and Recreation, and in a form satisfactory to the City Solicitor.

## FINANCIAL IMPACT

---

The total potential cost of the recommended procurement contract is \$3,329,892 excluding all taxes and charges (\$3,388,498 net of HST recoveries).

Annual funding for this contract award will be included in the 2022 Operating Budget Submission for Parks, Forestry and Recreation and future year budget processes. Funding details are summarized in Table 1 as follows:

Table 1: Financial Impact Summary

Budget Year	Cost Centre	Cost Element	Amount (Net of HST Recoveries)
2022	P00016	2560	\$64,783
2023	P00016	2560	\$104,775
2024	P00016	2560	\$348,386
2025	P00016	2560	\$378,279
2026	P00016	2560	\$415,644
2027	P00016	2560	\$415,644
2028	P00016	2560	\$415,644
2029	P00016	2560	\$415,644
2030	P00016	2560	\$415,644
2031	P00016	2560	\$415,644
TOTAL			\$3,388,498

The Chief Financial Officer and Treasurer has reviewed this report which has multi-year financial implications and agrees with the information as presented in the Financial Impact Section.

## **DECISION HISTORY**

---

There is no decision history regarding this contract.

## **COMMENTS**

---

Urban Forestry manages 5,700 ha of ravine and natural areas in Toronto, including 65 of the 86 Environmentally Significant Areas (ESAs). Ecological restoration efforts include planting approximately 30,000 native trees and shrubs in these natural areas annually. These planted trees will contribute to the natural regeneration of Toronto's forests and help to meet the goal of increasing Toronto's tree canopy to 40 per cent. It is important to ensure that the appropriate genetic stock is secured for the long-term ecological health of the forest and climate resiliency.

### **Importance of Genetically Diverse Plant Material and Climate Change**

Native plant material grown from seed originating from climatically similar regions is required for planting programs in Toronto's ESAs to maintain ecological integrity and ensure future resilient forests. The ability to track native seed sources from appropriate climatic regions will support the adaptability, and resiliency of Toronto's natural ecosystems against climate change. It will also ensure the conservation of native species genetic diversity.

The importance of appropriate seed sourcing and transfer was identified by the Ontario Ministry of Natural Resources and Forestry's Seed Transfer Policy (2020). This policy outlines the importance of growing stock with high genetic diversity to address the potential impacts of climate change. The importance of native species planting and source-identified stock was prioritized in Toronto's Ravine Strategy, Biodiversity Strategy, and Urban Forestry's Strategic Forest Management Plan.

### **Securing Long-term Supply of Native Plant Material**

Urban Forestry recognizes the need to secure native plant material over a longer term period. At the same time, there is a growing demand to secure native plant material province-wide and decreasing sources of both native seed and stock. The closure of the Ontario Angus Seed Plant in the fall of 2018, eliminated a reliable source of certified tree seed in southern Ontario. Urban Forestry has not been able to secure a reliable source of source-identified native plant stock from other providers. City staff currently rely on a small number of native plant nurseries who have limited stock and species

availability. The lack of appropriate stock often leads to adjusting planting plans to suit stock availability rather than choosing ideal species for the project's site conditions.

There is currently no standardized system in place in Ontario to identify the source of seed or stock from commercial nurseries, and both seed and stock is often imported from other regions. Furthermore, many commercial nurseries grow stock from cuttings which produces stock with lower genetic diversity compared to stock grown from seed.

Due to the lack of industry standards related to native plant material, Urban Forestry cannot obtain reliable sources of source-identified stock under the current purchasing process for longer-term RFQ contracts which require a low-bid process. This contract with Forests Ontario will give the City of Toronto more assurance in receiving plant material that is appropriately sourced and grown to a higher quality standard and will match specifications and species requirements.

### **Forests Ontario's Demonstrated Leadership in Ontario Tree Planting**

Forests Ontario (formerly Trees Ontario) was established with funding from the Provincial Government to support tree planting in partnership with the Federal Government. Trees were provided from nurseries managed by the province at a subsidized price. This program was terminated in 1997, having planted 6.4 million trees with 700 landowners.

As of 2020, Forests Ontario has planted over 30 million trees and created 16,500 hectares of forest through the 50 Million Tree Program. Forests Ontario has established many nursery partnerships, established a network of seed collectors and sources, as well as a partnership with the Forest Gene Conservation Association to provide guidance on tree seed diversity and climate change adaptation.

Forests Ontario has also successfully delivered 15,000 native trees to City of Toronto through an informal partnership since 2006. The "Tree Seed Diversity Project" focussed on collection of native tree seed from Toronto to plant within ESAs. This program is now being expanded to include both native trees and shrubs through collection of seed over a larger geographical area to consider climate change adaptation. The program is also being expanded to include planting targets associated with community tree planting events which are often also within ESAs.

Forests Ontario has demonstrated expertise in seed collection and source tracking. They provide training in seed collection certification and in tree seed forecasting to ensure a high standard for seed and tree stock in Ontario. Since the closure of the Ontario Angus Tree Seed Plant, Forests Ontario has developed specialized systems to track and collect tree seed that will benefit the City of Toronto and increase cost efficiencies. Forests Ontario has also secured seed storage and processing with several partners and has established a seed bank that contains approximately 205 million viable seeds.

Forests Ontario has been working to fill a nursery production gap that started in the early 1990s when the Province of Ontario closed provincial tree nurseries and stopped

subsidized seedling sales to landowners. Forests Ontario has partnered with the Ferguson Forest Centre, a not-for-profit organization growing stock on the former Provincial Tree Nursery in eastern Ontario, and partnered with established private tree nurseries in the Toronto area to maintain production capacity for source-identified stock.

The Fair Wage Office has reported that Forests Ontario has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

## **CONTACT**

---

Kim Statham, Acting Director Urban Forestry  
Telephone: 416- 392-6478; Email: [Kim.Statham@toronto.ca](mailto:Kim.Statham@toronto.ca)

Jackson Sychingho, Manager, Community and Social Services and City Manager's Office, Purchasing and Materials Management, 416-392-1492;  
[Jackson.Sychingho@toronto.ca](mailto:Jackson.Sychingho@toronto.ca)

## **SIGNATURE**

---

Janie Romoff  
General Manager, Parks, Forestry & Recreation

Michael Pacholok  
Chief Procurement Officer

## **ATTACHMENTS**

---