



BID AWARD PANEL CONTRACT AWARD

Award of RFP 9119-19-7110 to KPMG LLP for Toronto Building's Program Review and Cost Allocation Methodology Project

Date: October 2, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:

Call Number:
RFP # 9119-19-7110

Description:

The City of Toronto Building Division is looking for a consultant team to simultaneously undertake two related tasks.

Task 1 is a comprehensive program review including the assessment, analysis, and development of recommendations for the Toronto Building Division. The program review will include a current-state assessment and analysis of Toronto Building's service areas, service levels and service delivery models. This vendor will develop recommendations for an appropriate organizational structure for Toronto Building, so that it has the ability to meet its short-term and long-term program objectives, establish best practices in meeting legislative requirements, and delivering on our mission and vision.

Task 2 is a comprehensive review of Toronto Building's full cost model to establish and formalize a full cost allocation methodology and best practices in satisfying the requirements for the legislated Annual Report on Fees, and an assessment and advice on the need for reserve funds for stabilization and investment in service improvements, and the appropriate level of reserve funding.

The term of contract will be from the date of award to August 31, 2020

Recommended Proponent:

KPMG LLP

Contract Award Value:

\$515,572 net of all applicable taxes and charges

\$582,596 including HST and all applicable charges

\$524,646 net of HST recoveries**Contract is expected to start from the date of award and end in August 31, 2020.****FINANCIAL IMPACT**

The total contract award identified in this report is \$582,596 including all applicable taxes and charges. The cost to the City is \$524,646 net of HST recoveries.

Funding is available in the 2019 Approved Operating Budget for Toronto Building, and additional funding for the balance of the contract will be requested in the 2020 Operating Budget Submission for Toronto Building.

Table 1: Financial Impact Summary of Recommended Contract

Cost Center-GL	Description	Date of Award to December 31, 2019 (Net of HST Recoveries)	January 1, 2020 to August 31, 2020 (Net of HST Recoveries)
BL0009 C/E 4078	Program Review and Cost Allocation Methodology Project	\$255,452	\$269,194

CALL SUMMARY

Call Issued: June 3, 2019 **Call Closed:** July 3, 2019**Number of Addenda Issued:** None**Number of Bids:** Two (2)

Table 2: Summary of Bids Received for RFP9119-19-7110 including bid price

Proponent Name	Bid Price (including H.S.T.)
KPMG LLP	\$582,596
Ernst & Young LLP **	

**Proposals did not pass minimum technical threshold of 56.25 points in order for their cost information to be considered. This RFP used a two-envelope process.

DIVISION CONTACTS

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COMMENTS

For the recommended contract award, the following requirements have been met:

a. The firm recommended for award is the lowest bidder meeting specifications or to the highest scoring proponent based on the evaluation criteria included in the call and meeting the requirements of the call;

b. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

c. the total contract value is less than \$20 million dollars (excluding applicable taxes) and the contract term is:

1. for a contract funded by the operating budget, 5 years or less including any option years; or

2. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

being within the authority of the Bid Award Panel;

d. there are no material written objections to the award;

e. the call document was advertised on the City's internet website and bids or proposals were opened publicly; and

f. the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above calls are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Purchasing Officer