



REPORT FOR ACTION

Amendment to Blanket Contract No. 47020781 Cossette Creative Marketing Agency Services

Date: March 18, 2019

To: General Government and Licensing Committee

From: General Manager, Economic Development and Culture; Chief Purchasing Officer

Wards: All

SUMMARY

The purpose of this report is to seek authority to amend Blanket Contract No. 47020781 issued to Cossette Communication Inc. ("Cossette") as a result of Request for Proposal (RFP) 9101-17-7025 for a three (3) year period beginning July 2017 and ending June 2020 by the amount of \$562,955 net of all taxes (\$572,862 net of HST recoveries) increasing the total contract amount from \$447,500 (\$455,376 net of HST recoveries) to \$1,040,455 excluding all taxes (\$1,029,238 net of HST recoveries) for additional marketing and design agency services.

The RFP issued in 2017 was the first time EDC has worked with a Creative Marketing Agency. As a result, the hours outlined in the original RFP were estimated based on EDC's past engagement with freelance designers and project based agency work. No other benchmarks were available to identify the hours of work required to support EDC's needs for a three year term, particularly in the area of strategic planning.

EDC has utilized 2021 hours of the total 2500 hours identified in the RFP resulting in the need to add additional hours to the contract to allow EDC to continue to work with Cossette for the remainder of the three year term.

RECOMMENDATIONS

The General Manager, Economic Development and Culture and the Chief Purchasing Officer recommend that:

1. General Government and Licensing Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law) grant authority to amend Contract No. 47020781 issued to Cossette, for marketing and design agency services, by an additional amount of \$562,955 net of all applicable taxes and charges (\$572,862 net of HST recoveries) revising the current Contract value from

\$477,500 excluding all taxes (\$455,376 net of HST) to \$1,040,455 net of all applicable taxes and charges (\$1,058,767 net of HST recoveries) as per the original terms and conditions as set out in the Request for Proposal.

FINANCIAL IMPACT

The amendment to Contract No. 47020781, issued to Cossette, for an additional amount of \$562,955 net of all applicable taxes and charges (\$572,862 net of HST recoveries), will increase the current contract value of Contract No. 47020781 from \$477,500 to \$1,040,455 net of all applicable taxes and charges (\$1,058,767 net of HST recoveries). This amendment represents a 118% increase over the original Contract.

Funding for this amendment is available in the Economic Development and Culture 2019 Approved Operating Budget. Additional funding details follow:

Cost Centre/Cost Element	Funding Requirement (Net of HST recoveries)
ED0180,AH0068,ED0150,SE0019,C/E 4085	\$572,862

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

The original RFP for EDC Creative Marketing Agency of Record was issued under the authority and mandate of the EDC General Manager.

Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law) requires that the appropriate Standing Committee approve amendments to Purchase orders that exceed \$500,000.

https://www.toronto.ca/legdocs/municode/1184_071.pdf

COMMENTS

A Request for Proposal (RFP) 9101-17-7025 was issued to select a firm to become the Economic Development and Culture (EDC) Division's Creative Marketing Agency of Record. The scope of work included the goal of increasing awareness of and participation in all of EDC's programs and services. The objective of the work was to unify all of the division's marketing and communications initiatives under a common strategic framework, visual identity and narrative that are aligned to EDC's 2018-2022 Strategic Plan.

The goal of securing a Creative Marketing Agency of Record was to work with the same agency over a three year term to build a strategic and unified approach for all the division's marketing and communications initiatives. The agency has spent the last year and half learning about the work EDC does, meeting with stakeholders and staff, and completing significant research to help ensure our work is strategic and impactful. For the sake of continuity and effectiveness, it is important that staff continue their work with the same agency until the end of the three (3) year term of the RFP.

Based on the outcomes from the first 1.5 years of work with Cossette and the experience that staff have gained during this time, EDC developed a high level overview of the remaining work that would need to be done between now and July 2020. Staff asked Cossette to provide a high level estimate of the hours required to complete this work.

When a project is initiated by EDC, a project brief is provided to Cossette. Cossette then provides EDC staff with a cost estimate, description of the scope and overall budget impact to the division. EDC staff then provide written approval and a Contract Release Order (CRO) to Cossette to begin the project.

It is recommended that the General Government and Licensing Committee grant authority to amend Contract No. 47020781 to include the additional working hours to the Contract with Cossette. EDC has identified additional work where the agency's support can have significant positive impacts. There are two major projects yet to be completed by Cossette. The first is a repositioning and rebranding of the 10 Toronto History Museums to increase awareness, participation and attendance. Cossette will also support a new marketing strategy for EDC's programs and services for business audiences.

CONTACT

Marilyn Nickel, Marketing Manager, Economic Development and Culture
416-395-7375, Marilyn.Nickel@toronto.ca

Elena Caruso, Manager, Professional Services, Purchasing and Materials Management
416-392-7316, Elena.Caruso@toronto.ca

SIGNATURE

Michael Pacholok
Chief Purchasing Officer

Mike Williams
General Manager, Economic Development and Culture