



BID AWARD PANEL CONTRACT AWARD

Amendment No. 2 to Award of Request for Proposal No. 9155-19-7127 to Various Proponents for Toronto Employment and Social Services Divisional Purchase of Employment Services

Date: March 16, 2020
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

SUMMARY

The purpose of this report is to request the Bid Award Panel to amend the award of Request for Proposal (RFP) No. 9155-19-7127 to include the award of two (2) additional Proponents as adopted by the Bid Award Panel on November 13, 2019, [BA54.2](http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.BA54.2) (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.BA54.2>) and subsequently amended on January 15, 2020, BA62.2 (<https://www.toronto.ca/legdocs/mmis/2020/ba/bgrd/backgroundfile-141662.pdf>)

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to amend the award authorization of BA62.2 dated January 15, 2020 to include the award of two (2) additional Proponents listed below and increase the current total contract value by \$1,000,000 net of all applicable taxes and charges.

Sector Skills Training Programs:

1. 2001016 Ontario Inc. - York Construction Academy
2. Greater Toronto Apartment Association

Amended Contract Award Value:

\$16,000,000 net of all applicable taxes and charges*
\$18,080,000 including HST and all applicable charges
\$16,281,600 net of HST recoveries

Option Year 1 (January 1, 2021 - December 31, 2021):

\$16,000,000 net of all applicable taxes and charges*
\$18,080,000 including HST and all applicable charges
\$16,281,600 net of HST recoveries

Option Year 2 (January 1, 2022 - December 31, 2022):

\$16,000,000 net of all applicable taxes and charges*

\$18,080,000 including HST and all applicable charges

\$16,281,600 net of HST recoveries

Option Year 3 (January 1, 2023 - December 31, 2023):

\$16,000,000 net of all applicable taxes and charges*

\$18,080,000 including HST and all applicable charges

\$16,281,600 net of HST recoveries

* The total potential contract award per Vendor per year shall not exceed \$500,000.00 net of all applicable taxes and charges. The total potential contract award per Vendor per year shall be reviewed annually and increased if warranted subject to a maximum of \$3,000,000.00, net of applicable taxes and charges per Vendor over the life of the Contract.

In determining the amount awarded per Vendor per year, the following factors are taken into consideration amongst others: success rates/achievement of outcomes, labour market demands, changes to client composition, client demand for the programs offered, and client satisfaction with the programs offered.

The amended total potential contract award for all Proponents including all option years is \$64,000,000 net of all applicable taxes and charges, \$72,320,000 including all applicable taxes and charges. The total potential cost to the City including all option years is \$65,126,400 net of HST recoveries.

FINANCIAL IMPACT

Financial impacts arising from the recommendation in this report are set out as follows:

The total amending potential contract award, including all option years, identified in this report is \$4,070,400 net of HST recoveries. The total potential contract award from previous two reports, BA54.2 and BA62.2, is \$61,056,000 which will bring the overall total potential contract award to \$65,126,400 net of HST recoveries.

Funding is available in the 2020 Approved Operating Budget for Toronto Employment and Social Services Division in the Ontario Works Program.

Should the City choose to exercise its option(s) to renew for an additional three (3) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2021-2023 Operating Budget Submissions for Toronto Employment and Social Services for consideration as part of the Annual Budget process.

Funding for this program will be 100 percent provincially funded.

Table 1: Total Financial Impact Summary (net of HST recoveries)

| Cost Centre/ Cost Element | Description | January 1, 2020 to December 31, 2020 | Option Year 1, | Option Year 2, | Option Year 3, | Total (net of HST recoveries) |
|--|--|---|---|---|---|-------------------------------------|
| | | | January 1, 2021 to December 31, 2021 | January 1, 2022 to December 31, 2022 | January 1, 2023 to December 31, 2023 | |
| Cost Centre: C07201-C07274 Cost Element: 4795 | Employment Placement | \$64,000.00 | \$64,000.00 | \$64,000.00 | \$64,000.00 | \$256,000.00 |
| Cost Centre: C07200 Cost Element: 5180 | Employment Related Expenses (ERE) - Client | \$500,000.00 | \$500,000.00 | \$500,000.00 | \$500,000.00 | \$2,000,000.00 |
| Cost Centre: C07200-C07274 Cost Element: 5185 | ERE - Purchase of Services | \$14,700,000.00 | \$14,700,000.00 | \$14,700,000.00 | \$14,700,000.00 | \$58,800,000.00 |
| Cost Centre: C01256 Cost Element: 4795 | Employment Placement | \$1,017,600.00 | \$1,017,600.00 | \$1,017,600.00 | \$1,017,600.00 | \$4,070,400.00 |
| Sub-total | | \$16,281,600.00 | \$16,281,600.00 | \$16,281,600.00 | \$16,281,600.00 | \$65,126,400.00 |

CALL SUMMARY

Table 2: Update to summary of Bids Received for Request for Proposal No. 9155-19-7127

Sector Skills Training Programs:

1. 2001016 Ontario Inc - York Construction Academy
2. Greater Toronto Apartment Association

DIVISION CONTACTS

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COMMENTS

The purpose of this report is to award two (2) additional proponents to the report adopted by the Bid Award Panel on January 15, 2020, BA62.2 (<https://www.toronto.ca/legdocs/mmis/2020/ba/bgrd/backgroundfile-141662.pdf>) Which had amended original report adopted by Bid Award Panel on November 13, 2019, BA54.2 (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.BA54.2>)

The total contract value for each Proponent 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