



Fairness Report for the City of Toronto
Supply and Delivery of Custodial Services
Negotiated Request for Proposal No. Doc1960427682
April 23, 2020

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RE: Fairness Report of nRFP No. Doc1960427682 – Supply and Delivery of Custodial Services

Introduction

MNP LLP (“MNP”) was awarded a contract by the City of Toronto (“City”) as Fairness Monitor to oversee the procurement process for the Negotiated Request for Proposal (“nRFP”) No. Doc1960427682 for the supply and delivery of custodial services (“Project”). As Fairness Monitor, we are an independent and impartial third party whose role is to observe and monitor the procurement process to ensure the openness, fairness, consistency, and transparency of the process. The procurement process includes communication, evaluation, and decision-making associated with the project.

The City issued the nRFP to seek proposals from prospective proponents to provide custodial services at various City locations (which were separated into four property groups). The awarded proponents are to arrange, coordinate, schedule and provide all activity, materials, tools, resources, equipment and supplies, including cleaning agents, to achieve the defined cleaning levels within the nRFP Scope of Work.

Limitations and Disclosure

We have limited the scope of our work to documents provided by the City and are not providing an opinion on the accuracy of the information contained within. In addition, MNP was not involved with the development or review of the project’s scope of work or in the competitively procured tenders.

We do not assume any responsibility or liability for losses incurred by any party resulting from the use of our work. We reserve the right (but will be under no obligation) to review all information included or referred to in this Fairness Report and, if we consider necessary, to revise same in light of any facts which become known to us subsequent to the date of presentation of same.

Procurement Process

The City’s procurement process was comprised of the following stages and steps:

A. nRFP Planning and Issuance

- Development of the nRFP, including detailed project requirements and specifications, mandatory and rated criteria, evaluation process and weightings.
- Issuance of the nRFP on the City website.
- Conduct of two optional pre-bid meetings.
- Issuance of 14 addendums.
- Establishment of the Evaluation Team and Subject Matter Expert.

- Training of the Evaluation Team and Subject Matter Expert on the evaluation processes and guidelines.

B. Stage 1 - Mandatory Submission Requirements

- Evaluation of mandatory submission requirements of proposals received.
- Rectification of mandatory requirements and re-evaluation of mandatory submission requirements.

C. Stage 2 – Rated Criteria Evaluation (Technical Evaluation)

- Evaluation of the Technical Proposal Form, divided into two parts:
 - o Stage 2 – Part A included evaluation of Organizational Capabilities, Operational Capabilities and Quality Control Plan.
 - o Stage 2 – Part B included evaluation of reference checks.

D. Stage 3 – Pricing Evaluation

- Evaluation of the Pricing Form for proponents who passed Stage 2 Rated Criteria Evaluation.
- Clarifications sent to proponents and re-evaluation of Pricing Forms.
- Initial ranking of proponents to identify short-listed proponents.

E. Stage 4 - Concurrent Negotiations and Best and Final Offer (“BAFO”)

- Commercially Confidential Meetings (“CCM”) held with short-listed proponents to hold gaps/solutions discussions and proponent interviews.
- BAFO evaluation of Technical Proposal Form and the Pricing Form submissions for short-listed proponents.
- Final ranking of proponents to identify highest ranking proponents.
- Invitation to the highest ranking proponents to enter negotiations with the City.

During the entire procurement process, the City’s Category Management Team of the Purchasing and Material Management Division (“PMMD”) was involved to ensure that the procurement process and the evaluation guidelines were adhered to. The City also had an advisor from Ernst & Young who was involved during the procurement process.

Fairness Monitoring Principles

The following are the fairness monitoring principles that have been applied in our approach to fairness monitoring of the procurement process:

- Proponents have the same opportunity made available to them to access project information.
- The information made available to proponents is sufficient to ensure that each proponent has the full information of the nature of the services sought under the nRFP process.
- The criteria established in the nRFP documents truly reflect the needs and objectives in respect of the services and work to be provided.

- The evaluation criteria and evaluation process are established prior to the evaluation of submissions.
- The evaluation criteria, nRFP, and evaluation process are internally consistent.
- The pre-established evaluation criteria and evaluation process are followed.
- The evaluation criteria and evaluation process are consistently applied to all submissions.

Scope

In preparing our fairness opinion, we have reviewed, and where applicable, relied upon, the following information and documents within each stage of the procurement process:

A. RFP Planning and Issuance

1. City of Toronto Purchasing By-law, Chapter 195, dated January 31, 2019.
2. City of Toronto Financial Control By-law, Chapter 71, dated December 13, 2018.
3. Purchasing & Materials Management Policy, Procurement Processes Policy, dated January 1, 2017.
4. Negotiated RFP No. Doc1960427682 issued September 18, 2019.
5. Pre-Bid Meeting Presentation, dated September 23, 2019.
6. nRFP Addendum #1 through to #14 issued between September 20 and November 23, 2019.
7. Evaluation Team Training Presentation, dated November 19, 2019.
8. nRFP Evaluation Scoring Templates/Form Workbooks.
9. Evaluation Team member and Subject Matter Expert signed Non-Disclosure and Conflict of Interest Declarations.

B. Stage 1 - Mandatory Submission Requirements

10. Mandatory Submission Requirements checklist prepared by PMMD.
11. Rectification letters sent to two proponents, dated December 5, 2019.
12. Updated Mandatory Submission Requirements checklist prepared by PMMD with seven proponents passing the mandatory requirements.

C. Stage 2 – Rated Criteria Evaluation (Technical Evaluation)

13. Individual proponent evaluation scoring.
14. Reference evaluation scoring.
15. Final Technical Evaluation Scoring and identification of proponents passing Technical thresholds.

D. Stage 3 – Pricing Evaluation

16. Pricing Form clarification letters dated January 8 and February 4, 2020.
17. Final Pricing Form Evaluation Scoring for the six proponents passing the threshold evaluation.
18. Identification of six short-listed proponents.

E. Stage 4 - Concurrent Negotiations and BAFO

19. Invitation letters, dated February 28, 2020 to six proponents to confirm and hold dates to attend CCMs.
20. CCM agenda and gap detail letters to six proponents dated March 2, March 3, March 4, and March 6, 2020 providing each proponent the same amount of time to prepare prior to CCM dates.
21. BAFO extension notice sent to each proponent on March 18, 2020 providing new BAFO submission date and time allowing a two-week extension due to COVID-19 providing each proponent the same amount of time to prepare and submit their BAFO proposal submission.
22. Final Technical Evaluation Scoring for the six proponents submitting BAFO proposals.
23. Final Pricing Form Evaluation Scoring for the six proponents submitting BAFO proposals.
24. Final ranking of proponents.
25. Notice letters to the three successful proponents, dated April 16, 2020.

Fairness Approach

Our role as Fairness Monitor consisted of observing and monitoring the procurement process utilized by the City to ensure the openness, fairness, consistency, and transparency of the communication, evaluation, and decision-making processes. Specifically, our responsibilities were to:

1. Review and understand the City's procurement by-laws, policies, processes, and procedures.
2. Review various documents and information, such as the nRFP documents, addendum, and correspondence between the City and the proponents.
3. Review the evaluation criteria with respect to clarity and consistency.
4. Observe and monitor the Evaluation Team meetings in the capacity of Fairness Monitor to ensure the procurement process was conducted according to the criteria as set out in the nRFP and that the Evaluation Team conducts itself in an appropriate manner and free from conflict of interest.
5. Identify situations and issues which may compromise the evaluation process, and which may result in complaints about the procurement process and provide advice on resolving complaints.
6. Review final evaluation results for overall fairness and process integrity, including ensuring evaluation methodology was adhered to.

7. Prepare a report describing the procurement process followed, including a conclusion on the fairness of the procurement document and evaluations.
8. Provide advice and assistance when requested.

Supply and Delivery of Custodial Services - Negotiated RFP No. Doc1960427682

The City issued the nRFP on September 18, 2019 with the closing date of October 23, 2019. 14 addenda were issued, with the last addenda providing the closing date extension to December 2, 2019. Prior to the closing date, the City held two optional Pre-Bid Meetings, which provided an overview of the project, the nRFP's procurement process, and a walkthrough of the detailed Pricing Form required to be completed and submitted by proponents. The City also established the evaluation team and subject matter expert, which attended a training session on the evaluation processes, the specific evaluation criteria/requirements, and the Forms the proponents were requested to provide their responses on. Each evaluation team member and subject matter expert provided a signed conflict of interest and confidentiality declaration.

Upon nRFP closing, the City received proposal submissions from the following eight proponents:

- Bee Clean Building Maintenance
- Dexterra
- ICS Facility Services
- Impact Cleaning Services
- Intergroup Facility Services
- Kleenway Building Maintenance Services Inc.
- SCI Alpine Building Maintenance Inc.
- Shinol Inc.

PMMD conducted the mandatory submission requirements check and seven proponents passed the mandatory submission requirements and moved forward to Rated Criteria Technical Evaluation, after two proponents (Bee Clean Building Maintenance and Kleenway Building Maintenance Services Inc.) were sent, and responded to, rectification requests. Intergroup Facility Services did not pass the mandatory submission requirements check.

Technical evaluation meetings were held on December 19 and 23, 2019 to score the Technical Proposal Form for each of the seven proponents. At the completion of Stage 2- Part A, one proponent, Shinol Inc., did not pass the minimum technical scoring threshold, and did not move further within the procurement process. References checks were completed for the six proponents passing the minimum technical scoring thresholds and scoring completed.

The Pricing Form for the six proponents were opened and clarifications were requested from four proponents (Dexterra, ICS Facility Services, Impact Cleaning Services, and Kleenway Building Maintenance Services Inc.) which were responded to within the timeframe outlined in each clarification request. The Pricing Form scoring was completed, and the six proponents were short-listed to move on to Stage 4 - Concurrent Negotiations and BAFO.

Commercially confidential meetings ("CCM"), were held for each of the six proponents. During the CCMs, the City provided feedback to each of the proponents for consideration in their BAFO proposal submissions.

Proponent	Commercially Confidential Meeting Date
Bee Clean Building Maintenance	March 13, 2020
Dexterra	March 9, 2020
ICS Facility Services	March 11, 2020
Impact Cleaning Services	March 10, 2020
Kleenway Building Maintenance Services Inc.	March 9, 2020
SCI Alpine Building Maintenance Inc.	March 13, 2020

During the week that the CCMs took place, representatives from the Province of Ontario, government of Canada, and the City were advising businesses, governments, and the public to limit their travel and to work from home due to COVID-19. The City was accommodating in permitting proponents to attend their CCM through teleconference to reduce the spread of the virus.

BAFO proposal submissions were due five days after each proponent's CCM as stipulated in the nRFP, however, an extension was provided to each proponent due to the COVID-19 pandemic, with due dates staggered to ensure that each proponent received an equal amount of time to prepare and submit their BAFO proposal response. All six proponents submitted BAFO proposal submissions within the timing permitted by the extension, as validated by the Category Management Team, PMMD.

The BAFO Technical Rated Criteria Evaluation meeting took place on April 9, 2020. Only two of the six proponents chose to update their Technical Proposal Form which was reviewed and scored by the Evaluation Team. The other four proponents' scores from Stage 2 – Part A were carried forward to the BAFO Technical Scoring as outlined in the nRFP.

The BAFO evaluation of the Pricing Form for all six proponents was conducted by the Category Management Team, PMMD upon completion of the BAFO Technical Rated Criteria evaluations and final overall BAFO scoring was calculated. As per the nRFP, the City separated locations into four property groups and while proponents were able to bid on all four property groups, one proponent would not be awarded more than two property groups.

Final scoring and ranking of the six proponents was completed with Kleenway Building Maintenance Services Inc. being allocated two property groups (as their maximum allocation), and ICS Facility Services and Impact Cleaning Services allocated one property group each, being ranked as the highest scoring proponents in each of the property groups. Kleenway Building Maintenance Services Inc., ICS Facility Services and Impact Cleaning Services were invited to enter negotiations with the City, following the process as outlined in the nRFP.

Fairness Conclusion

Based on the information and documents reviewed, meetings attended, and discussions with the Evaluation Team, the Category Management Team and PMMD, the procurement process was followed as set out in nRFP No. Doc1960427682 and has been open and fair and in accordance with City By-laws and policy.

Yours truly,

MNP LLP

Veronica Bila

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ABOUT MNP

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