



BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc No. 2694782831 to Mercer Canada Limited for the General Benefits Consulting Services, for the City of Toronto

Date: January 14, 2021
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:

Request for Proposal (RFP) No. Doc2694782831

Description:

For general benefits consulting services, on a fee for service basis, for the provision of subject matter expertise during collective bargaining, review of underwriting methodologies, future marketing of benefit programs as well as auditing of the benefits carrier(s) on behalf of the City (i.e. mapping audit, claims and adjudication audit, disability file audit) for the City of Toronto, Toronto Transit Commission (TTC) and Toronto Police Services Board (TPSB), with a base term of four (4) years, with one (1) separate option year period.

Should the option(s) be exercised, then the Director, Pension, Payroll and Employee Benefits will request the Chief Procurement Officer to process the renewals under the same terms and conditions.

Recommended Supplier:

Mercer Canada Limited

Contract Award Value:

Contract Period - Date of Award - December 31, 2024

\$1,590,031 net of all applicable taxes and charges

\$1,796,734 including all applicable taxes and charges

\$1,618,015 net of HST recoveries

Option Year 1 - January 1 2025 - December 31, 2025
\$339,430 net of all applicable taxes and charges
\$383,556 including all applicable taxes and charges
\$345,404 net of HST recoveries

The total potential cost to the City including the optional year is \$1,963,419 net of HST recoveries. The total potential award including the option year is \$1,929,461 net of all applicable taxes and charges, and \$2,180,290 including all applicable taxes and charges.

FINANCIAL IMPACT

The total potential contract award identified in this report is \$2,180,290 including all applicable taxes and charges and \$1,929,461 net of all applicable taxes and charges. The potential cost to the City, including the option year, is \$1,963,419 net of HST recoveries.

Funding has been included in the 2021 Non-Program Operating Budget Submission. Funding for the balance of the contract period will be included in the 2022-2025 Non-Program Operating Budget Submissions.

Should the City choose to exercise the option to renew for the additional one (1) year term, then appropriate additional funding will be included in the 2025 Non-Program Operating Budget Submissions. Additional funding details follow in Table 1.

Table 1: Financial Impact Summary of Recommended Contract

Account	Jan. 1, 2021 to Dec. 31, 2021 Net of HST Recoveries	Jan. 1, 2022 to Dec. 31, 2022 Net of HST Recoveries	Jan. 1, 2023 to Dec. 31, 2023 Net of HST Recoveries	Jan. 1 2024 to Dec. 31, 2024 Net of HST Recoveries	Option Year Jan. 1, 2025 to Dec. 31, 2025 Net of HST Recoveries
NP2093 C/E 4078	\$578,461	\$268,272	\$419,175	\$352,107	\$345,404
TOTAL	\$1,963,419				

SOLICITATION SUMMARY

Solicitation Issued: November 2, 2020 **Solicitation Closed:** November 30, 2020

Number of Addenda Issued: One (1)

Number of Bids: 2

Table 2: Summary of Bids Received for Ariba Doc22694782831

Supplier Name
Mercer Canada Limited
Engineersoft Inc.*

*The Proposal did not meet the minimum 75% technical threshold, therefore cost of services was not opened.

DIVISION CONTACTS

Allison Phillips, Manager, Professional Services, Purchasing & Materials Management, 647-882-9803, allison.phillips@toronto.ca

La-Verne Georgiadis, Manager, Benefits, 416-392-3901, la-verne.georgiadis@toronto.ca

COMMENTS

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

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

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 Solicitation 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 Solicitations are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Procurement Officer