TORONTO

BID AWARD PANEL CONTRACT AWARD

Award of Ariba Doc. No 2775783283 to the KTL Group for the non-exclusive supply, delivery, warranty & Support of IBM and HCL Software Products and Support for the Technology Services Division.

Date: March 18, 2020
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 Quotation (RFQ), Ariba Doc No. 2775783283

Description:
The non-exclusive supply delivery, warranty & Support of IBM and HCL Software Products and Support for a period of five (5) years.

Recommended Supplier:
The KTL Group (Part A & B)

Contract Award Value:
Part A (IBM Software):
$6,065,625 net of all applicable taxes and charges
$6,854,156 including HST and all applicable charges
$6,172,380 net of HST recoveries

Part B (HCL Software):
$1,032,500 net of all applicable taxes and charges
$1,166,725 including HST and all applicable charges
$1,050,672 net of HST recoveries

The total contract award identified in this report for both parts is $7,098,125 net of all applicable taxes and charges $8,020,881 including all applicable taxes and charges. **The total cost to the City for both parts is $7,223,052 net of HST recoveries.**

The contract is expected to start on date of award and end of December 31, 2025.

FINANCIAL IMPACT

The total contract award identified in this report is $7,098,125 net of all applicable taxes and charges, $8,020,881 including all applicable taxes and charges. The total cost to the City is $7,223,052 net of HST recoveries.

Funding is available in the 2021 Council Approved Operating and Capital Budgets for the Technology Services Division. Funding for years 2022-2025 will be included in the 2022-2025 Operating and Capital Budget Submissions for Technology Services.

City Divisions will be able to draw upon the contract on an as-needed basis by issuing Contract Release Orders (CROs) against the contract subject to validation of funding at the time of issuance and approval by the Division Head of the requesting division. Individual cost centres will be identified by the Divisions on each CRO as it is issued against the contract.

Funding details are provided in Table 1 below:

Table 1: Financial Impact Summary of Recommended Contract:

Date	Cost Center IT1010 GL 4474	Cost Center IT1017 GL 4474	WBS CIT702-08-03	Various Divisions	Grand Total (net of HST recoveries)
Date of Award to Dec. 31, 2021	$433,383	$433,383	$288,922	$288,922	$1,444,610
Jan. 1, 2022 to Dec. 31, 2022	$433,383	$433,383	$288,922	$288,922	$1,444,610
Jan. 1, 2023 to Dec. 31, 2023	$433,383	$433,383	$288,922	$288,922	$1,444,610
Jan. 1, 2024 to Dec. 31, 2024	$433,383	$433,383	$288,922	$288,922	$1,444,610
Jan. 1, 2025 to Dec. 31, 2025	$433,383	$433,383	$288,922	$288,922	$1,444,610
Total (net of HST recoveries)	$2,166,916	$2,166,916	$1,444,610	$1,444,610	$7,223,052

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

SOLICITATION SUMMARY

Solicitation Issued: December 31, 2020 **Solicitation Closed:** February 2, 2021
Number of Addenda Issued: Two (2)
Number of Bids: Two (2)

Table 2: Summary of Bids Received for RFQ, Ariba Doc. No 2775783283 including bid price for Part A (IBM):

Supplier Name	Bid Price (including H.S.T.)
The KTL Group	$6,854,156.25
OnX Enterprise Solutions Ltd.	$6,885,937.50

Table 3: Summary of Bids Received for RFQ, Ariba Doc. No 2775783283 including bid price for Part B (HCL):

Supplier Name	Bid Price (including H.S.T.)
The KTL Group	$1,166,725.00
OnX Enterprise Solutions Ltd.	$1,285,375.00

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 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