



## BID AWARD PANEL CONTRACT AWARD

### **Award of Ariba Doc. No. 2963148010 to the Deloitte LLP for the non-exclusive supply of ServiceNow Cloud Subscription Services for Various Divisions.**

**Date:** August 12, 2021  
**To:** Bid Award Panel  
**From:** Chief Procurement Officer  
**Wards:** All

#### **RECOMMENDATIONS**

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**The Chief Procurement Officer recommends that the Bid Award Panel, pursuant to Section 195-8.3A (3) of the Municipal Code, Chapter 195, Purchasing, exercise the power of a Standing Committee to grant authority to award the following contract:**

**Solicitation Number:**

Request for Quotation (RFQ), Ariba Doc No. 2963148010

**Description:**

The non-exclusive supply of ServiceNow Cloud Subscription Services for a period of three (3) years with the option to renew for two (2) additional one (1) year periods.

**Recommended Supplier:**

Deloitte LLP

**Contract Award Value:**

From date of award to July 31, 2024

\$19,893,650 net of all applicable taxes and charges

\$22,479,825 including HST and all applicable charges

\$20,243,778 net of HST recoveries

Option Year 1 (August 1, 2024 to July 31, 2025)

\$9,245,528 net of all applicable taxes and charges

\$10,447,446 including HST and all applicable charges

\$9,408,249 net of HST recoveries

Option Year 2 (August 1, 2025 to July 31, 2026)

\$9,829,681 net of all applicable taxes and charges

\$11,197,540 including HST and all applicable charges

\$10,002,684 net of HST recoveries

The total potential contract award including the optional periods is \$38,968,859, net of all applicable taxes and charges and \$44,034,811, including all applicable taxes and charges. **The total potential cost to the City including all optional years is \$39,654,711, net of HST recoveries.**

**The contract is expected to start on date of award and end of July 31, 2024.**

## FINANCIAL IMPACT

The total potential contract award, inclusive of option years is \$38,968,859, net of all applicable taxes and charges, \$44,034,811, including all applicable taxes and charges. The total cost to the City is \$39,654,711, 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             |             |                    | Grand Total<br>(net of HST recoveries) |
|---------------------------------------------------|-------------------------|-------------|--------------------|----------------------------------------|
|                                                   | CIT046-12-02<br>GL 4828 | CCIT1089    | Adhoc<br>(Various) |                                        |
| Initial Term<br>Date of Award to<br>Dec. 31, 2021 | \$110,161               | -           | \$356,160          | \$466,321                              |
| Initial Term<br>Jan. 1, 2022 to<br>Dec. 31, 2022  | \$2,842,596             | -           | \$2,774,152        | \$5,616,748                            |
| Initial Term<br>Jan. 1, 2023 to<br>Dec. 31, 2023  | -                       | \$2,796,254 | \$6,147,352        | \$8,943,606                            |

| Date                                                  | Cost Center             |              |                    | Grand Total<br>(net of HST recoveries) |
|-------------------------------------------------------|-------------------------|--------------|--------------------|----------------------------------------|
|                                                       | CIT046-12-02<br>GL 4828 | CCIT1089     | Adhoc<br>(Various) |                                        |
| Initial Term<br>Jan. 1, 2024 to<br>July 31, 2024      | -                       | \$1,631,148  | \$3,585,955        | \$5,217,103                            |
| Optional Year 1<br>August 1, 2024 to<br>July 31, 2025 | -                       | \$2,796,254  | \$6,611,995        | \$9,408,249                            |
| Optional Year 2<br>August 1, 2025 to<br>July 31, 2026 | -                       | \$2,796,254  | \$7,206,430        | \$10,002,684                           |
| Total (net of HST recoveries)                         | \$2,952,758             | \$10,019,909 | \$26,682,044       | \$39,654,711                           |

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

## SOLICITATION SUMMARY

**Solicitation Issued:** June 8, 2021      **Solicitation Closed:** June 23, 2021  
**Number of Addenda Issued:** None  
**Number of Bids:** Five (5)

Table 2: Summary of Bids Received for RFQ, Ariba Doc. No 2963148010 including bid price:

| Supplier Name           | Bid Price (including H.S.T.) |
|-------------------------|------------------------------|
| DELOITTE LLP            | \$44,034,810.76              |
| Fully Managed           | \$49,391,976.05              |
| CONFIGURETEK INC        | \$50,804,780.36              |
| EY                      | \$51,583,638.63              |
| Fishbone Analytics Inc. | \$94,075,748.89              |

## **DIVISION CONTACTS**

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## **COMMENTS**

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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 more 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 since City Council is in summer recess;

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**

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Michael Pacholok  
Chief Procurement Officer