

Amendment to Blanket Contract 47024775 with DragonAgile Consulting Inc. for Atlassian Product Software Licences

Date: February 11, 2025
To: General Government Committee
From: Chief Technology Officer and Chief Procurement Officer
Wards: All

SUMMARY

The purpose of this report is to request authority to amend Blanket Contract 47024775 issued to DragonAgile Consulting Inc. (DragonAgile) for the provision of Atlassian Product Software Licences requesting \$430,432 USD (\$611,214 CAD) net of all applicable charges and taxes or \$438,008 USD (\$621,972 CAD) net of Harmonized Sales Tax Recoveries. At the time of writing this report on February 6, 2025, \$1 USD = \$1.42 CAD.

Currently there is a competitive Request for Quotation (RFQ) that has been published. This RFQ will fund renewals for existing licences as well as continued divisional growth. It will also replace the existing contract (which is set to expire on November 30, 2025) and strategically consolidate multi-divisional spending under a single contract to reduce multiple procurements, unify licence terms, and establish an Enterprise Agreement to achieve cost savings through economies of scale. Following the City's standard procurement timelines, the City expects the new contract to be awarded by the beginning of March 2025.

The amendment is requested only as a contingency measure if the RFQ process is unsuccessful, delayed or encounters unforeseen issues. The amendment will provide coverage for essential software licences and renewals from March – May 2025, ensuring uninterrupted service and maintaining operational continuity during this period.

RECOMMENDATIONS

The Chief Technology Officer and the Chief Procurement Officer recommend that:

The General Government Committee, in accordance with Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to the Chief Technology Officer to amend Blanket Contract 47024775 with DragonAgile Consulting Inc. by increasing the contract value by \$430,432USD (\$611,214 CAD) net of all applicable charges and taxes or \$438,008 USD (\$621,972 CAD) net of Harmonized Sales Tax Recoveries, revising the current Blanket Contract Value from

USD \$759,762 to USD \$1,197,770.

FINANCIAL IMPACT

The total of potential cost of this contract amendment is \$430,432 USD (\$611,214 CAD) net of all applicable charges and taxes and \$486,389 USD (\$690,672 CAD) including all applicable taxes and charges. The total potential cost to the City is \$438,008 USD (\$621,972 CAD) net of Harmonized Sales Tax Recoveries. At the time of writing this report on February 6, 2025, \$1 USD = \$1.42 CAD.

Funding in the amount of \$438,008 USD (\$621,972 CAD) for 2025 is available within the 2025 Operating Budgets of participating Divisions.

Table 1 – Financial Impact Summary of Recommended Contract Amendment (Net of HST Recoveries)

Division	Cost Centre	Cost Element	2025 Total USD	2025 Total CAD
Children's Services	E0131A	3420	\$126,229	\$179,245
City Clerk's Office	GV0009	3420	\$55,968	\$79,475
Corporate Real Estate Management	FA 2174	3420	\$72,453	\$102,883
Social Development Finance & Administration	G26200	3420	\$29,205	\$41,471
Toronto Water	TW6045	4474	\$132,939	\$188,774
Transportation Services	TS7010	3420	\$7,072	\$10,043
Toronto Shelter & Support Services	FH5003	3420	\$7,632	\$10,838
Economic Development & Culture	CSE014-05	3420	\$42,434	\$60,256

Parks & Recreation	P13333	3420	\$13,626	\$19,348
Sub-Total			\$487,558	\$692,333
Balance Remaining on #47024775 Net of Harmonized Sales Tax Recoveries			(\$49,550)	(\$70,361)
Total Net of Harmonized Sales Tax Recoveries (rounded to the nearest dollar)			\$438,008 USD	\$621,972 CAD

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

DECISION HISTORY

In December 2022, Bid Award Panel granted authority to the Chief Purchasing Officer to award Ariba Document Number 3709451782 to DragonAgile Consulting Inc. for Atlassian Cloud Product Licenses for Technology Services Division.

[Agenda Item History 2023.BA5.4](#)

COMMENTS

The City of Toronto uses Atlassian's suite of tools to enable staff to improve team collaboration and enhance workflow efficiency. This report supports licence renewals for for two Atlassian tools, Confluence and Jira, which several divisions across the City use to deliver key services to internal stakeholders, specifically for software requirements management, issue tracking, activity tracking, and knowledge management.

Since 2022, the City has utilized competitive contract 47024775 with DragonAgile to procure Atlassian product software licences. At the time of writing this report, a new competitive procurement is in place through a Request for Quotation (RFQ) to fund renewals for existing licences as well as continued divisional growth. This RFQ will replace the existing contract (which expires November 30, 2025) and strategically consolidate multi-divisional spending under a single contract to reduce multiple procurements, unify licence terms, and establish an Enterprise Agreement to achieve cost savings through economies of scale. Following the City's standard procurement timelines, the City expects the new contract to be awarded by the beginning of March 2025.

This purchase order amendment is required only if RFQ process is unsuccessful, delayed or encounters unforeseen issues. It acts as a contingency to cover software

licence renewal costs across City divisions from March-May to ensure operational continuity while the City completes the competitive procurement process.

CONTACT

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SIGNATURE

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