Toronto Community Housing

Direct Award: Ameresco Canada Inc. Asset Management Software Subscription Renewal

Item 8
July 17, 2023
Building Investment, Finance and Audit Committee

Report:	BIFAC:2023-79
To:	Building Investment, Finance and Audit Committee ("BIFAC")
From:	Vice President, Information Technology Services and Vice President, Facilities Management
Date:	June 29, 2023

PURPOSE:

The purpose of this report is to seek BIFAC's approval of a direct award to Ameresco Canada Inc. for up to $1,540,090.00 (exclusive of taxes) for Ameresco AssetPlanner and iAuditor Mobile subscription licenses renewal and support services for a three (3) year term plus two optional one (1) year terms.

BIFAC approval is required for this contract award as it exceeds the $500,000 financial approval limit of TCHC's President and CEO and the contract award does not arise from a competitive procurement call.

RECOMMENDATIONS:

It is recommended that the BIFAC:

1. approve a direct award to Ameresco Canada Inc. for up to $1,540,090.00 (exclusive of taxes) for Ameresco AssetPlanner and iAuditor Mobile subscription licenses renewal and support services for a three (3) year term plus two optional one (1) year terms as follows:

    a. up to $457,545.00 for AssetPlanner Module software subscription fee (initial 3 year term);

b. up to an additional $305,030.00 for AssetPlanner Module software subscription fee (two optional one year terms);

c. up to $91,509.00 for iAuditor Mobile application subscription fee (initial 3 year term);

d. up to an additional $61,006.00 for iAuditor Mobile application subscription fee (two optional one year terms);

e. up to $375,000.00 for Ameresco Professional Services for Facilities Management estimated at $125,000 per year (initial 3 year term);

f. up to an additional $250,000.00 for Ameresco Professional Services for Facilities Management estimated at $125,000 per year (two optional one year terms);

2. authorize the Vice President, Information Technology Services to execute an agreement with the recommended vendor; and

3. authorize the appropriate staff to take the necessary actions to give effect to the above recommendations.

PROGRAM BACKGROUND:

AssetPlanner and iAuditor is an industry leading asset management software solution used by TCHC Facilities Management ("FM") for collecting and analyzing updated building condition information. This software provides an industry-wide, standardized method of portfolio modelling including metrics that allow for direct comparison and collaboration with other housing providers, including harmonized metrics.

The two software applications provide TCHC with the tools to collect, store and review information on major capital components of all TCHC facilities in order to determine the general condition of each facility, and to provide recommendations for repair and/or replacement and budget estimates over short and long-term periods.

Information from the Building Condition Assessments ("BCA") are used to project capital needs, establish sustainability targets, and determine funding levels required to address the backlog of capital repairs in order to maintain an acceptable Facility Condition Index ("FCI"). The information is used to inform the capital planning process, align capital programs with the 10-year Capital Financing Plan and support TCHC's strategic priority of "Quality Homes".

TCHC has been procuring Ameresco software licensing directly from Ameresco Canada Inc., the original equipment manufacturer, since at least 2013. It is the primary asset management platform for Facilities Management.

REASONS FOR RECOMMENDATIONS:
TCHC is currently updating BCAs and support services from Ameresco Canada Inc. are required to support this process. A direct award is requested for Ameresco Canada Inc. to provide support services for AssetPlanner and iAuditor to support the BCA update process, which will be underway shortly. Beyond the software, Ameresco is unique among its competitors as it is also able to offer analytic services including TCHC's annual third party review of capital outcomes. This third party annual review serves to determine the efficacy of capital work and, ultimately, the FCI of TCHC's portfolio.

TCHC's current rolling Ten Year Capital Renewal is built on information cultivated through AssetPlanner. Reports generated from this software assist in demonstrating TCHC's viability as a recipient for significant federal funding ($1.34B). During the process, federal auditors noted that the funding agreement was largely advanced based on the clarity and strength of TCHC's reporting.

The current subscription to these services is set to expire on July 31, 2023. A direct award is required to ensure continued, uninterrupted subscription to the service and support services Ameresco Canada Inc. provides for TCHC.

PROCUREMENT PROCESS:
The direct award is recommended under the following justification under Section 4.3(a) of TCHC's Procurement Procedures:

> xiv. For the purchase of goods or services where there is a sound business case the details of which may include:
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>> (b) Total Cost of Ownership ("TCO"): of the purchase, including but not limited to increased productivity and efficiency, project site sequencing, staff labour savings, implementation, or usability benefits.

Total cost of ownership justification: TCHC has been procuring Ameresco software licensing directly from Ameresco Canada, the original

equipment manufacturer, since at least 2013. It is the primary asset management platform for Facilities Management.

The Ameresco Asset Sustainability Group ("ASG") team has long standing knowledge of the capital planning data and has assisted with years long pursuits to represent the significant amount of TCHC data held in AssetPlanner. For many years, the ASG team has assisted TCHC with annual business planning preparation and capital planning services.

As a leading company in Canada, ASG has the largest database of housing assets represented in AssetPlanner. This is an Enterprise Asset Management system designed to aid with decision making and converting data insights to actionable plans. This tool is used by over 64,800 active users, representing over 118,000 buildings/sites, and provides a wealth of data, allowing benchmarking across the housing sector. Uniquely, AssetPlanner positions disparate streams of data into a single platform helping to address the Total Cost of Ownership challenge facing all multi-tenanted portfolios.

AssetPlanner and iAuditor Mobile application software subscriptions can only be procured from Ameresco Canada Inc., the original equipment manufacturer, and not through software resellers, therefore a competitive procurement is not possible for this renewal.

Any delay to the renewal of subscription licensing will impact Facilities Management's ability to access Ameresco software, in turn impacting their ability to carry on Asset Management operations.

IMPLICATIONS AND RISKS:
Upon approval of this award, Strategic Procurement will pursue the negotiation and execution of an agreement with Ameresco Canada Inc. to renew the services.

The Manager, Software and Solutions Support, in consultation with other Information Technology Services staff, reviewed the pricing and has determined it to be reasonable and acceptable for the work, and is comparable to similar projects. TCHC has negotiated fixed rates for annual subscription and support services with Ameresco Canada Inc.

Ameresco Canada Inc. has agreed that annual subscription fees will be held at zero escalation for a five year term. Additionally, the support services fee schedule will be held at zero escalation for a five year term.

The recommended vendor has performed similar work for TCHC with satisfactory results.

Performance will be evaluated in accordance with TCHC's Vendor Compliance Evaluation System. Results gathered through project reviews can be used to support decisions to remove underperforming vendors from TCHC's rosters and/or future bidding opportunities.

Funding for this award is within the program budget of the 2023 ITS Divisional Budget (ITK.5644) and Facilities Management Budget (RC01.7219). Funding for future year budgets will be requested each consecutive year as per contract.

SIGNATURES:

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