

Process for Receiving and Reviewing Unsolicited Quotations and Proposals

PURPOSE

To assist external organizations that may be eager to partner with the City, Council adopted the **Unsolicited Quotations or Proposals Policy** at its meeting on June 19, 20 and 22, 2007. While the Policy provides guidance for those seeking to do business with the City outside of the conventional procurement system, it does not establish a definitive process through which such proposals may receive serious consideration. With this in mind, the following sets out a framework through which potential partners have an opportunity for their ideas to be presented and evaluated. Furthermore, the framework provides a formal mechanism for the disposition of all unsolicited quotations or proposals in a timely and conclusive manner.

POLICY

The Unsolicited Quotations or Proposals Policy as adopted by Council at its meeting of June 19, 20 & 22, 2007, Report 5, Clause 6 of the Government Management Committee.

PROCEDURE

1 Preconditions for the Receipt of an Unsolicited Quotation or Proposal

1.1 Definition

An unsolicited quotation or proposal involves an offer for a new or innovative idea submitted to the City on the initiative of a proponent for the purpose of obtaining a contract with the City with the express intent of securing a financial return for the proponent. In addition, as per section 1(a) of the Policy, the proposal or quotation can not be in response to a current or anticipated request for proposal or any City-initiated solicitation or program.

1.2 Submission Deadlines

There are no deadlines for submitting unsolicited quotations or proposals. The City accepts quotations or proposals at any time throughout the year.

1.3 Eligible Partners

All organizations, both private and not-for-profit, as well as individuals are invited to partner with the City. Quotations and proposals are to be evaluated solely on the merits of the submission and not the perceived suitability of the proponent.

1.4 Staff Guidelines

Section 1(b) of the Policy states that an unsolicited quotation or proposal is not to be considered if “it requires substantial assistance from the city to complete the quotation or proposal.”

To ensure that proponents do not contravene this section, thereby invalidating the unsolicited offer, all initial inquiries relating to unsolicited quotations or proposals are to be referred to the Toronto Office of Partnerships (TOP). The Office is to be the sole point of contact prior to the submission of any documentation. The TOP will serve as a liaison for a potential proponent and will, as required, consult directly with the relevant Division(s) to coordinate the appropriate advice and guidance requested by the proponent.

The assistance offered, however, must not constitute collaboration or direct support. Specifically, Division staff are precluded from engaging in the following activities:

- i. acting as “sounding boards” for quotations or proposals;
- ii. delivering advice on project design;
- iii. advising on the selection of resources;
- iv. coordinating or participating in the collection and/or analysis of data;
- v. helping to refine quotations or proposals; and
- vi. participating in the preparation of any documentation

The above actions are not exhaustive. In essence, any activity that is construed by the respective Division Head to have compromised the independence of the proponent’s idea will void the initiative.

1.6 Types of Quotations or Proposals

The City seeks to partner on innovative projects that align with its mission/values and that advances the community goals of Council (i.e. social development, economic vitality, environmental sustainability, good governance, city building).

2 The Unsolicited Quotation or Proposal Process

2.1 Stage 1 – TOP Review of the Concept Plan

To streamline the review process, all proponents are to initiate the process by first reviewing the City’s **Unsolicited Quotations or Proposals Policy**. Then, if electing to proceed, the proponent is required to submit a brief concept plan

using the standard forms available from the Toronto Office of Partnerships' website.

The forms incorporate the following:

- i. Basic information including the proponent's name and address, type of organization (e.g. profit, non-profit), contact information, etc.
- ii. The project's title and a summary that describes the initiative and expounds upon objectives, methods, intended outcomes, type/level of support required from the City, etc. The summary is also to clearly demonstrate how the proposal is in the public interest.
- iii. Duration of the initiative
- iv. Other funding sources (if applicable)
- v. Preliminary pricing, cost estimates and financial forecasts
- vi. Other supporting documentation (i.e. biographical information of key personnel, relevant past experience, references, etc.)
- vii. A waiver by the proponent that, as per section 4 of the Policy, addresses expectations with respect to ownership and confidentiality issues, including the potential application of the **Municipal Freedom of Information and Protection of Privacy Act**, and the assumption of risks for costs incurred.

In completing this template, the proponent is to direct any questions and issues to the TOP.

Upon receipt of the brief concept plan, the TOP will review the form and within two weeks, inform the proponent that:

- a) the forms are inaccurate or incomplete and that additional information is required; or
- b) the City will not pursue the initiative as it does not qualify as an unsolicited quotation/proposal (i.e. the idea resembles a current or upcoming competitive procurement that has or will be requested) or the plan does not fall within the City's jurisdiction or mandate; or
- c) the concept plan is eligible for consideration and has been forwarded to the appropriate Division(s) for further review.

2.2 Stage 2 – Division Review of the Concept Plan

The brief concept plan forms will be reviewed by the relevant Division. Upon evaluating the merits of the offer, the Division will inform the proponent, via TOP, within four weeks of submission that:

- a) further information is required before a decision can be made; or
- b) the Division has declined the opportunity to proceed with the project for the reasons expressed; or
- c) the Division Head has signed off and that a detailed quotation/proposal, with or without amendments, is requested.

2.3 Stage 3 – Submission of a Detailed Quotation/Proposal

If invited to submit a detailed quotation or proposal, the proponent will be required to enter into a “Swiss Challenge Agreement” with the City, which sets out the rules of the process and specifically addresses the extent to which the proponent’s proposal may be made public as part of the process. In preparing its full proposal, the proponent is required to develop a comprehensive business plan that scopes out the preliminary information contained in the concept plan form. Additional information will also be needed including: work plans, the delineation of risks and responsibilities, financial analysis and forecasts (including cost comparators), etc. Please refer to section 2 of the Policy for the minimum informational requirements.

In developing the detailed quotation/proposal, and to ensure that the initiative meets the needs of both parties, the proponent is permitted during this phase of the process to liaise with Division staff, but only via the TOP. In accordance with regular procurement calls, all communication between TOP staff and the proponent must be documented in writing and, for audit purposes, retained on file. Again, since staff involvement that is found to encompass supervision or direction will disqualify the proposal from further consideration and result in the immediate termination of the process, all correspondence through TOP is to be limited to the provision of general information and/or restricted to the resolution of issues of a general nature. Such communication may be required in order to properly inform the subsequent Request for Quotation/Request for Proposal. Furthermore, this interaction will facilitate the avoidance of significant omissions in the forthcoming quotation/proposal, thereby limiting the instances of re-submission, which is authorized under section 5(e) of the Policy.

Upon completion of the detailed quotation/proposal, two copies will be submitted to the TOP, one of which is to be forwarded to the relevant Division. The two will work to review the full quotation/proposal and, in conjunction with the Evaluation Team articulated in sections 3 and 5 of the Policy, will assess its value against established criteria including (but not limited to):

- Has the quotation/proposal been independently originated and developed by the proponent?
- Does the proponent have the requisite capacity and expertise to fulfill its obligations under the quotation/proposal?
- Are risks and obligations appropriately apportioned?
- To what extent does the quotation/proposal of the support of affected stakeholders (i.e. the local councillor, community groups, etc.)
- Is the quotation/proposal legally feasible and does it comply with existing City regulations such as the “Fair Wage Policy”?
- Has the financial impact been fully assessed and deemed to be favourable (value for money)?
- Does the prospective project have any adverse social, environmental and/or economic impacts?
- How is the project to be monitored post-implementation?

2.4 Stage 4 – Request for Competing Quotations/Proposals (The Swiss Challenge)

Within 6 weeks of receipt of the full quotation/proposal, a determination will be made by the Evaluation Team, together with the relevant Division, as to whether to proceed with the initiative or to reject the quotation/proposal. The decision will be communicated to the proponent through TOP.

If the quotation/proposal receives a favourable assessment, the relevant Division will, as per section 6 of the Policy, draft a report to Council requesting authorization to proceed with the initiative. Upon Council approval, the project will be subjected to “the Swiss Challenge”, a specialized procurement process that is distinct from the City’s typical RFQ/RFP procedure.

The Swiss Challenge process involves seeking competing counter proposals. Once the process closes, the counter proposals are appraised and the highest evaluated proposal is selected. If it is determined that this successful counter proposal is superior to the original unsolicited proposal, in line with section 7 of the Policy, the original proponent will have the opportunity to match or improve on the selected competing proposal. If, within 30 days, the original proponent elects to meet the terms of the successful counter proposal, it will be recommended for the award of the contract. The relevant Division will then be responsible for working with the proponent to implement the initiative while keeping the TOP apprised of developments and outcomes.

3 Related Resources

The **Unsolicited Quotations or Proposals Policy** is available at:

<http://www.toronto.ca/calldocuments/pdf/unsolicited.pdf>

The Concept Plan forms can be downloaded from the Toronto Office of Partnerships’ website: <http://www.toronto.ca/top/index.htm>

Further information regarding doing business with City, including other purchasing policies, is available at: <http://www.toronto.ca/business/index.htm>

CONTACT

Should you have any questions please contact the Toronto Office of Partnerships. In the event that further interpretation is required contact the Director at 416-392-6119 or the Financial Advisor at 416-392-6122.