



# Change Order: Yardi Canada Ltd

Item 7

April 8, 2022

Building Investment, Finance and Audit Committee

**Report: BIFAC:2022-48**

**To:** Building Investment, Finance and Audit Committee (“BIFAC”)

**From:** Vice President, Information Technology Services

**Date:** March 15, 2022

## PURPOSE:

The purpose of this report is to seek the BIFAC’s approval for a change order for HoMES implementation services provided by **Yardi Canada Ltd** for TCHC’s Business Transformation project now known as the HoMES Project.

BIFAC approval is required for the recommended change order, as the cumulative amount of all change orders exceeds \$2.5M of the original award and exceeds the financial approval limit of Toronto Community Housing’s (“TCHC”) Procurement Award Committee (“PAC”).

## RECOMMENDATIONS:

It is recommended that BIFAC approve the following recommendations to:

1. Approve a change order to **Yardi Canada Ltd** for \$1,056,536.80 (exclusive of taxes) to accommodate an extended Track 2B-2 rollout as outlined in Project Background and for a change in the scope of work for reports and customizations as detailed below
  - **\$680,492** for resource extension to accommodate the delayed Track 2B-2 rollout (COVID)

- **\$57,844.80** for travel and expenses which is a reduction from 13% in original agreement (COVID)
- **\$318,200** for additional reports and customizations, over and above original the Statement of Work fixed price scope accumulated over the course of the entire implementation.

2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

### **REASONS FOR RECOMMENDATIONS:**

The HoMES project was approved on February 27, 2019 by TCHC's Board of Directors and was launched in May 2019 to replace 30+ legacy applications with one integrated housing management solution. The first and second rollouts under Track 1 were completed in July 2020 and January 2021 respectively. Track 2 was split into two rollouts, with 2A planned for June 2021 and 2B planned for October 2021. The 2A rollout was completed in June 2021 as planned, leaving the largest rollout, 2B, remaining. Track 2B contains the space bookings and maintenance and tenant support business functions.

During the third quarter of 2021, the HoMES Project Management Office met to review the status of the project and to determine the feasibility to launch the full Track 2B scope as planned in October 2021.

Upon completion of this review and after discussions with key project resources, the HoMES Project Management Office ("PMO") brought forward a proposal to the HoMES Steering Committee to consider postponing the final Track 2B launch to go live at the end of February 2022.

The proposal to postpone the final rollout was endorsed by the HoMES Steering Committee and approved by the Executive Sponsor will be brought forward to the Building Investment, Finance and Audit Committee in November 2021 for information.

### **Table 1: Purchase Order and Change Order Summary**

CO No.	VAC #	Approval Date	Description	Reason	Individual CO Amount
1	Board TCHC: C2019-10	February 27, 2019	Original Contract for IT Implementation Services RFP:17290		
2	BIFAC C:2019-88	November 12, 2019	<b>Change Order 1:</b> Track 1B Capital Maintenance	Defer 1B Go Live to beginning of year	\$100,000
3	BIFAC C:2019-88	November 12, 2019	<b>Change Order 2:</b> Data Conversion Additional Expertise	Data Conversion Additional Expertise	\$245,000
4	BIFAC C:2019-88	November 12, 2019	<b>Change Order 3:</b> eLearning Content Creation	Training Content	\$243,000
5	21063	March 9, 2021	<b>Change Order 4:</b> Decouple Track 2 Go Live		\$1,066,991.20
6		June 10, 2021	<b>Change Order 5:</b> Implement Mobile Parking Application		\$56,800
7	21493	November 26, 2021	<b>Change Order 6:</b> Yardi Professional Services (HoMES Project)		\$676,895.97
Cumulative approved change orders to date					\$2,388,686.97
Change order as requested in this report					\$1,056,536.80
<b>Total Cumulative change orders</b>					<b>\$3,445,223.77</b>
Original contract awarded					\$17,600,000
<b>Revised total contract amount</b>					<b>\$21,045,223.77</b>
<b>Cumulative CO % of contract award/purchase order</b>					19.58%

## PROCUREMENT PROCESS:

This change order is recommended under the following justification under section 4.3(a) of TCHC's Procurement Policy:

- v. To ensure compatibility with goods and services previously acquired where there are no reasonable alternatives or substitutes.

The HoMES Project has a limited budget and is scheduled to be completed in Q2 2022. For TCHC to issue a new procurement document in order to secure the additional services that are required would create delays in the project timelines, and could potentially introduce a new vendor to the HoMES project. This would, in itself, likely create communication/planning/scheduling/conflict complications and further project delays.

### **IMPLICATIONS AND RISKS:**

Yardi Canada Ltd. is the current implementation partner for the HoMES project and the OEM (Original Equipment Manufacturer) for the software solution being implemented, and they have the in depth knowledge of their product, as well as TCHC's business requirements.

The Vice-President, Information Technology Services has reviewed the pricing and determined it to be reasonable and acceptable for the work.

Funding for the Change Order award is within the program budget of the HoMES project. Of the total \$1,056,536.80 current change order amount, \$738,336.80 will be funded by COVID expenses, and the remaining amount of \$ \$318,200 will be funded by the HoMES project contingency.

### **SIGNATURE:**

*"Luisa Andrews"*

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Luisa Andrews  
Vice President, Information Technology Services

### **STAFF CONTACT:**

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