

APPENDIX D – VENDOR PERFORMANCE EVALUATION CONSTRUCTION

1. OVERVIEW

- 1.1 Vendor performance is critical to TCHC and will be evaluated in the manner described in this Appendix.

TCHC values high quality workmanship, delivered on time and on budget, while maintaining safe work practices. Vendors must maintain their good standing with TCHC by performing their contractual obligations in accordance with contract specifications, legal requirements and TCHC Policies, and by delivering high quality services that meet or exceed TCHC’s performance expectations.

- 1.2 Poor Vendor performance may impact a Vendor’s ability to be awarded future TCHC work, and may result in termination of any existing Project Agreement.

If a Vendor’s performance is found to be unsatisfactory according to the evaluation process described in this Appendix, the Vendor may have their contract terminated and the Vendor may be disqualified from future TCHC work for a specified time period and/or until specified conditions have been met.

- 1.3 The Vendor Compliance Office (“**VCO**”) is the office within TCHC with overall responsibility for the governance of Vendor performance as described in this Appendix. VCO ensures the necessary Vendor evaluation standards, processes and metrics are implemented and continuously monitored to accurately and fairly assess Vendor performance

2. VENDOR PERFORMANCE EVALUATION

2.1 Purpose

The purpose of TCHC’s vendor performance evaluation process is to provide a consistent and transparent measure of how well a Vendor has performed the Deliverables, provide timely feedback to Vendors about their performance so they can take remedial action, and incentivize the delivery of high quality services.

Performance evaluation results are also used to determine if a Vendor needs performance management by TCHC that may result in conditions being imposed, up to and including disqualification as described in this Appendix D, section 3.

2.2 Performance Scorecard and Evaluation Process

TCHC will evaluate a Vendor’s performance on each Interior General Project, using the following general criteria and weighting:

1. Vendor Personnel/Resources	(7.50% Section Weighting)
2. Health and Safety Compliance	(20.00% Section Weighting)
3. Planning/Scheduling/Progress to Schedule	(15.00% Section Weighting)
4. Shop Drawings and Other Submittals	(7.50% Section Weighting)

5. Inspections/Quality of Work	(15.00% Section Weighting)
6. Change Orders	(15.00% Section Weighting)
7. Project Controls/Payment Draws	(15.00% Section Weighting)
8. Contract Close-Out/Documentation/Deficiencies	(5.00% Section Weighting)

These general criteria are found in sections 1, 2, 3, 4, 5, 6, 7 and 8 of the Performance Scorecard, (“**Scorecard**”) included below. The Scorecard is the evaluation tool used by TCHC to evaluate Vendor performance. The general criteria are further broken into specific evaluation criteria which are itemized in the Scorecard. Vendors should review the evaluation criteria in the Scorecard at the commencement of the Interior General Project Agreement.

The Scorecard uses a 6 point scale (from zero to 5) to grade the Vendor’s performance on each question in the Scorecard. An overall Performance Score is then calculated, taking into account the criterion weightings, with a maximum score of 100. If the Vendor performs work for TCHC that involved more than one Category of Work, or subcategory, a separate Average Performance Score will be maintained for each Category of Work, or if one is applicable the relevant subcategory of work. .

TCHC staff will establish the frequency of the evaluations. Evaluations will be conducted on a schedule established by TCHC at the start of the Project Agreement, and adjusted as TCHC determines appropriate.

A TCHC staff person who is knowledgeable about the Project Agreement, will be assigned to evaluate the Vendor’s performance. TCHC staff will evaluate the Vendor’s performance, will complete the Scorecard, and ensure the Scorecard is reviewed and signed by the appropriate TCHC staff. TCHC will calculate and maintain each Vendor’s Average Performance Score based upon the average of all of the Vendor’s interim and final Performance Scores received in respect of a Category of Work in the most current 5-year period, or applicable portion thereof.

If the Vendor performs work for TCHC that involved more than one Category of Work, or subcategory, a separate Average Performance Score will be maintained for each Category of Work, or if applicable each subcategory of work.

2.2.1 Minimum Performance Score

The minimum Performance Score is 60% for each Project.

The Vendor is rated on each evaluation criterion with one of the following scores:

SCORE	DESCRIPTION
5	Vendor delivered superior performance and quality of work. Vendor consistently exceeded expectations in all areas of responsibility.
4	Vendor delivered good performance and quality of work. Vendor consistently exceeded expectations in one or more areas of responsibility.
3	Vendor delivered satisfactory performance and quality of work. Vendor consistently met minimum expectations in all areas of responsibility with few or no issues.
2	Vendor delivered substandard performance and quality of work. Vendor consistently met expectations in all areas of responsibility with few or no issues.

1	Vendor delivered poor performance and/or quality of work. Vendor fell below expectations in one or more key areas of responsibility. Vendor required extra TCHC staff time and/or resources.
0	Vendor delivered unsatisfactory/unacceptable performance and quality of work. Vendor consistently failed to meet expectations in key areas of responsibility and was unable to meet the minimum requirements of services and deliverables.

A score of 3 out of 5 (60%) is considered the minimum Performance Score on the Scorecard and characterizes the level of performance associated with a reasonably prudent, diligent and skilled Vendor.

When the overall Performance Score is calculated, if any of the scoring scenarios below applies the following corrective or disciplinary actions may be initiated by TCHC:

Score	Action
Performance Score (Interim or Final) below 60% OR Failing score in any evaluation criterion regardless of Performance Score	May meet with the Vendor to discuss areas of improvement needed and set a correction plan. A 2-year waiting period will apply before the Vendor becomes eligible for new Project Agreements if Average Performance Score is below the minimum Performance Score. May initiate removal/disqualification of the Vendor for a period of up to five (5) years if poor performance on a single Scorecard/Project was significant or gives rise to significant risk.
Two Performance Scores - (Final) below 60% within a rolling 5-year window	May initiate removal/disqualification of the Vendor for a period of up to five (5) years.
Score of zero on any single evaluation criterion in the Scorecard	May initiate removal/disqualification of the Vendor for a period of up to five (5) years.

2.3 Sharing Performance Results with Vendors

TCHC may complete one or more interim Scorecards during the lifecycle of the Project Agreement, and will complete a final Scorecard at the completion of the Project Agreement. TCHC will provide the Vendor with its interim and final Scorecard results as soon as reasonably practicable after the completion of the evaluation.

If TCHC determines that a meeting with the Vendor would be beneficial in order to discuss the evaluation and/or improve performance, the VCO will offer the Vendor the opportunity to discuss the evaluation either before or after the Scorecard has been finalized.

2.4 Performance Scorecard Records

Records of each Vendor's Scorecards will be maintained by TCHC and used for purposes of ongoing monitoring and management of performance. They may also be used to determine and may affect the eligibility of Vendors to participate in future TCHC procurement opportunities. In future procurements, Proponents will be required to have a minimum Average Performance Score of 60% to be considered for evaluation.

In future procurements, Proponents will be required to maintain a minimum Average Performance Score of 60% to be considered for evaluation. It is therefore very important for Vendors to monitor their performance and ensure they consistently meet this minimum Average Performance Score.

In particular, on a date to be determined and communicated in the future by TCHC that is not before 2024:

- (i) only those Vendors that have maintained an Average Performance Score that meets or exceeds this minimum will be eligible to participate in new TCHC procurement opportunities issued after that date for this Category or Work or if applicable, the subcategory of work; and
- (ii) in addition, a Vendor whose Average Performance Score falls below this minimum will be subject to a 2-year waiting period during which they will be excluded from receiving new Project Agreements. The VCO will communicate information to Vendors who are subject to the waiting period about the start and end date, when they are able to resume receiving new Project Agreements and the need to requalify for any roster if applicable.

TCHC may share the results of performance evaluations with third parties, including the City of Toronto, for any reason that in TCHC's opinion warrants such sharing.

3. DISQUALIFICATION OF VENDORS

3.1 Grounds for Disqualification

TCHC may disqualify a Vendor for unsatisfactory performance if the Vendor failed to meet TCHC's minimum standards, as described below:

- (a) the Vendor received an overall Performance Score below 60%;
- (b) the Vendor received a score of zero on any single evaluation criterion in the Scorecard;
- (c) TCHC is of the opinion, as a result of Vendor performance issues on a Project, that the Vendor poses a risk to the sound delivery of TCHC Projects; or
- (d) any other grounds set out in TCHC's Vendor Disqualification Protocol.

In addition to unsatisfactory performance, Vendors may also be disqualified on other grounds including:

- (a) bankruptcy or insolvency;
- (b) false declarations;
- (c) conviction of serious crimes or other serious offences;
- (d) health and safety breaches; or unsatisfactory health and safety record; or
- (e) professional misconduct or acts or omissions that adversely reflect on the Vendor's commercial integrity or TCHC's integrity.

4. PROCESS FOR DISQUALIFICATION

4.1 The process for the disqualification of a Vendor will follow the applicable requirements in TCHC's Vendor Compliance Protocol 1. Prior to disqualifying a Vendor, TCHC will offer to discuss the grounds for disqualification with the Vendor and may provide an opportunity to rectify the issues identified, if rectification is considered feasible in TCHC's opinion.


4.2 If TCHC is of the opinion that the Vendor has failed or is unable to meet TCHC's performance requirements, as described in this Appendix and Scorecard, and/or if the Vendor proves to be unable or unwilling to rectify the issue(s) identified by TCHC, the Vendor's Project Agreements may be terminated and the Vendor will be disqualified from future TCHC work for a specified time period, to a maximum of five (5) years or until specified conditions have been met. TCHC will provide written reasons for its decision. During the disqualification period, the Vendor will be ineligible to participate in TCHC procurement opportunities or receive Project awards, in accordance with the terms of the decision.

5. VENDOR COMPLIANCE OFFICE CONTACT

If a Vendor disagrees with the results of an evaluation, the dispute procedure as set out in the Project Agreement will apply.

In case of any questions regarding the performance evaluation process or related matters, or questions regarding the VCO, a Vendor can contact the VCO via VendorCompliance@torontohousing.ca with the reason for the inquiry and supporting documentation.

Scorecard for Construction:



Performance Scorecard - Construction > \$150,000

Interim Scorecard Final Scorecard

vi.3 January 2023

SUBCATEGORY:

VENDOR:

PROJECT NAME/DESCRIPTION: _____ **PROGRAM NUMBER (RFX NUMBER):** _____

VAC NUMBER: _____ **JOB COST NUMBER:** _____

CONTRACT NUMBER: _____

CONTRACT VALUE: _____ **START DATE:** _____

FINAL CONTRACT VALUE: _____ **COMPLETION DATE:** _____

Using the following scoring key, please evaluate the vendor against the questions and statements below.

5	Vendor delivered superior performance and quality of work. Vendor consistently exceeded expectations in all areas of responsibility.
4	Vendor delivered good performance and quality of work. Vendor consistently exceeded expectations in one or more areas of responsibility.
3	Vendor delivered satisfactory performance and quality of work. Vendor consistently met minimum expectations in all areas of responsibility with few or no issues.
2	Vendor delivered substandard performance and quality of work. Vendor failed to meet expectations in one area of responsibility.
1	Vendor delivered poor performance and quality of work. Vendor failed to meet expectations in multiple areas of responsibility. Vendor required extra TCHC staff time and/or resources.
0	Vendor delivered unsatisfactory/unacceptable performance and quality of work. Vendor failed to meet expectations in all areas of responsibility and was unable to meet the minimum requirements of services and deliverables.

The minimum Performance Score for this project is 60%.

	WEIGHT	0	1	2	3	4	5	N/A	COMMENTS
1. HEALTH AND SAFETY COMPLIANCE	20%								
Did the Vendor take sole responsibility for construction safety at the place of the work and show responsibility in initiating, maintaining, and supervising all safety precautions and programs to comply with the public and tenant safety legislation, such as the Ontario Health and Safety Act (OHSA), at the place of work?									
Did the Vendor provide evidence of compliance with workers' compensation legislation, including a copy of statement or payment on the relevant project due there under?									
Did the Vendor take responsibility for the safe on-site storage and protection of products?									
2. PLANNING/SCHEDULING/PROGRESS TO SCHEDULE	15%								
Did the Vendor take necessary steps, such as provision of expertise and resources (including manpower and equipment), to reconcile to the approved schedule and did so in a timely manner?									
Prior to mobilization, did the Vendor submit construction schedules with sufficient details (i.e., critical events, inter-related scheduling factors) to demonstrate conformity to the contract deadlines for the owner's approval? Afterwards, did the Vendor effectively issue revised construction schedules?									
Did the Vendor monitor the progress of the work against the schedule and advise, in writing or in construction meetings, of any slippage in the construction schedule, any revisions, and any impact to the schedule based on changes or delays?									
3. INSPECTIONS/QUALITY OF WORK	15%								
Did the Vendor execute work in accordance with the contract documents?									
Did the Vendor give reasonable notice of when the work will be ready for review or inspection and provide timely tracking and reporting on the progress of inspections?									
Did the Vendor's quality of work include finishing and final cleaning of the site?									
Did the Vendor take responsibility for the daily care, maintenance, and protection of the work in the event of any suspension of construction?									
4. CHANGE ORDERS	15%								
In case of a Change Directive or Change Order, did the Vendor secure approval prior to performing work?									
In the case of a Change Directive or Change Order, did the Vendor reconcile the work in a timely manner?									
Did the Vendor give timely notice, in writing, of intent to claim with a detailed account of the amount claimed and grounds upon which the claim was based?									
Did the Vendor take all reasonable measures to mitigate any loss or expense before raising a claim?									
5. PROJECT CONTROLS/PAYMENT DRAWS	15%								
Did the Vendor attend and participate in site meetings?									
Did the Vendor prepare project activity records, including meeting minutes, a list of submitted shop drawings, and change notices (with issue and approval dates reviewed by TCHC), as per the contract?									
Did the Vendor maintain project activity records, which documented the activities of all subcontractors, and compare that record with the latest schedule?									
Did the Vendor ensure to maintain and provide all the required subcontractor documentation as per the contract?									
Did the Vendor submit the required applications for payment, with a schedule of values and backup documents, accurately and in a timely manner?									
6. VENDOR PERSONNEL/RESOURCES	7.5%								
Did the Vendor fulfill their obligation to provide construction methods, techniques, sequences, and procedures for coordinating work?									
Did the Vendor exercise a standard of care, skill, and diligence appropriate for the project?									
Did the Vendor have a sufficient quantity of staff assigned to the project who were appropriately experienced? Did the Vendor's Project Managers and/or Site Supervisors effectively manage the site at the place of work?									
Did the Vendor's Project Manager and Site Supervisor respond to issues and provide updates to TCHC Project Manager in a timely manner?									
7. SHOP DRAWINGS AND OTHER SUBMITTALS	7.5%								
Did the Vendor provide shop drawings and other submittals as required? Did the Vendor prepare, report, and update the schedule of the dates for provision, review, and return of shop drawings?									
Did the Vendor review and verify all shop drawings before providing them to the Consultant to minimize revisions?									
Did the Vendor submit mock-ups as directed or as agreed at the preconstruction meeting(s)?									
8. CONTRACT CLOSE-OUT/DOCUMENTATION/DEFICIENCIES	5%								
Did the Vendor provide proof that they closed all applicable permits with the authority having jurisdiction?									
Did the Vendor prepare accurate and timely as-built or record drawings?									
Did the Vendor submit and complete all as-built documents as required?									

Did the Vendor establish reasonable dates for finishing the work or correcting any deficient work?																				
Did the Vendor correct defective work, which was rejected due to non-conformance to the contract terms, in a timely manner?																				
Did the Vendor rectify all defective Work and deficiencies even when they were not specifically identified by the Consultant and/or owner representative?																				

100%

EVALUATION NOTES				
	NAME	SIGNATURE	DATE	VENDOR COMPLIANCE OFFICE USE ONLY
Project Lead				
Manager				
VCO Manager				

FOR REFERENCE ONLY