Report of the Executive Policy Committee dated September 18, 2002

Rental of Photocopiers - RFP No. 602-2002
File GL-9 (Vol. 18) [c/r GP-1 (Vol. 20)

6. The Executive Policy Committee has been advised that a Request for Proposals is issued triennially by the Materials Management Division of the Corporate Finance Department for the Rental of Photocopiers for various City departments.

Final receipt of offers took place on August 16, 2002, with the bids being received from seven (7) bidders. A tabulation of these bids is outlined in Attachment "A" – Summary of Bids.

The RFP Package specified that this contract shall consist of supply, delivery, installation and successful start-up of new or re-manufactured photocopying machines at various City locations. Each machine is in place for a thirty-six (36) month period from placement of machine. Installation dates vary throughout the contract.

All bids were in accordance with the requirements of the RFP package.

The requirements for Bid and Performance Securities, and the execution of a formal contract were waived for this purchase in accordance with the authority delegated to the Director of Purchasing on April 9, 1992, and February 9, 1995.

The recommended bidder is the current contractor and has, by successfully performing previous work similar in nature, scope and value, demonstrated that they have the necessary qualifications and resources to perform the work of this contract.

Proposals are valid for acceptance until November 14, 2002.

The Financial Impact Statement is outlined in Attachment "B".

The Executive Policy Committee recommends:

I. That the contract for the Rental of Photocopiers for the period starting December 1, 2002, for a three-year period from the date of photocopier placement, be awarded to Pitney Bowes of Canada Ltd., whose proposal has been determined to be the most advantageous to the City, based on Option 1 of their bid submission.

II. That the Manager of Materials be authorized to issue a Purchase Order in the total conditional amount of $2,174,508.00 GST and PST extra.

III. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Attachment “A” referred to in Clause 6 of the Report of the Executive Policy Committee dated September 18, 2002

EVALUATION OF BIDS

Panasonic Document Systems Direct	$4,604,202.00
Xerox Canada Limited	$3,520,702.80
Danka Canada Inc.	$4,533,485.76
Toshiba of Canada Ltd.	$3,530,718.00
Ikon Office Solutions	$3,960,103.68
Pitney Bowes – Option 1	**$2,174,508.00**
Pitney Bowes – Option 2	$2,233,980.00
Gold Business Machines	$5,468,472.00

Attachment "B" referred to in Clause 6 of the Report of the Executive Policy Committee dated September 18, 2002

Project Name: RFP No. 602-2002, Rental of Photocopiers

Date: September 5, 2002 First Year of Program **2002**

	2002	2003	2004	2005	2006
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 579,900	$ 579,900	$ 579,900		
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 579,900	$ 579,900	$ 579,900	$ -	$ -
Less: Existing Budget Amounts	579,900	579,900	579,900		
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Funding for this contract is through the budgets of the various user departments. The contract is on a cost-per-copy basis and does not commit the City to utilize any fixed quantity. The conditional amount of the contract of $2,174,508, is based on the absolute maximum that the contract would cost the City if all users were to select the highest segment of machines quoted. The contract allows users several options that reflect the machines they currently have in their possession. If the users continue with similar machines and utilize these options, as past experience has shown, the cost to the City would approximate current budget (as reflected above).

Carrie Erickson
Manager of Finance & Administration