Appendix A: Charge Comparison of In-House (CRC) and Third Party (Commercial) Records Centre Storage and Services

In order to compare projected third party commercial records centre services with those provided by the City through the Corporate Records Centre (CRC) program, the following parameters were used:

- Actual departmental service statistics were used for the comparison (storage and service statistics for the CRC's largest client department).

- Fiscal year 2015 was used as a comparator. This constituted a very busy year and is a "worst case scenario" for costs and services. But in light of downsizing and service rationalization at the City in general, this year cannot be considered an outlier.

- The rate sheet for the commercial provider used for this exercise is dense and granular in the types of services charges typically billed. Some projected charges used in this comparison are estimates but are in line with going rates for 3rd party providers.

Results:

1. Departmental Storage Charges for 2015 for the CRC: **$51,553.87**

2. Estimated charges for commercial provider for the same inventory/same fiscal year: **$59,631.65**

3. Departmental Service Charges for 2015 for the CRC: **$13,742.00**

4. Estimated service charges for commercial provider for the same services/same fiscal year: **$33,307.00**

5. Total CRC Charges to this Department for the Period: **$65,295.87**
   Estimated total Commercial Provider Charges for the Period: **$92,938.65**

Notes:

- Service charges for the commercial provider are estimated and rounded to the nearest dollar. Often 3rd party providers offer a "get started" rebate which lasts for a defined time period, after which full rates are charged. Calculations were made using the full rate.

- The commercial provider charges a fuel surcharge on all services. This is common practice. In this case the rate is not stated on the website as it is a monthly calculated rate based on the cost of fuel – and so was not factored into this comparison.

- The commercial provider charges a handling fee by the cubic foot for all deliveries/pickups: any time inventory is loaded on to/off of a truck. This is also common practice but rates vary by provider). These charges increase costs significantly.

- The commercial provider charges for special services are significantly more than CRC rates – for example, rush deliveries. The base rate for a business day rush delivery per

box is $104.00 plus handling charges. The CRC rate is $10.65 for the first box, and $5.50 for each subsequent box.

- The commercial provider charges additional fees on top of handling and delivery for “visiting” the workplace.

This comparison does not include other services charged for by the CRC – such as interfiling, re-boxing, etc. Regardless, the CRC is competitive or less expensive for all services – i.e. for destruction, the commercial provider charges are estimated to be $8.77/box, not including visit charges, labor and fuel surcharge, whereas the CRC charge is $4.50/box.