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TORONTO

# BID AWARD PANEL CONTRACT AWARD

# Award of Request for Proposal No. 3409-19-0079 to HP Canada Co., for Multi and Single Function Printers and the Managed Print Services

Date: July 18, 2019
**To:** Bid Award Panel
**From:** Chief Purchasing Officer
**Wards:** All

## RECOMMENDATIONS

**The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:**

**Call Number:**
RFP No. 3409-19-0079

**Description:**
The purpose of this report is to advise on the results of the Request for Proposal (RFP) No. 3409-19-0079 for the provision of Multi and Single Function Printers and the Managed Print Services, and to seek authority for the City of Toronto to negotiate and to enter into an Agreement with the recommended proponent HP Canada Ltd. for a period of five (5) years.

This RFP was issued for the City and Participating Agencies (Toronto Transit Commission, Toronto Community Housing Corporation, Toronto Parking Authority, Toronto Public Library, Exhibition Place and Toronto Zoo) to award a contract to the highest scoring proponent for the City and for each Participating Agency for the acquisition of New Single and Multifunction Print Equipment and the associated Managed Print Services.

**Recommended Proponent:**
HP Canada Ltd.

**Contract Award Value:**
$16,617,984.28 net of all applicable taxes and charges (including 7.5% contingency)
$18,778,322.24 including HST
**$16,910,460.81 net of HST recoveries**

The total potential cost to the Agencies for the term of five (5) years for the applicable recommended Proponent will be subject to approval from their appropriate authority.

**Contract is expected to start on date of award and end on August 30, 2024.**

## FINANCIAL IMPACT

The total contract award identified in this report is $18,778,322.24, including contingency and all applicable taxes and charges and $16,617,984.28 net of all applicable taxes and charges, including 7.5% contingency ($1,159,394.25, net of all taxes and charges) for unforeseen additional volumes during the term of the Contract. The total cost to the City is $16,910,460.81, net of HST recoveries.

Funding is included in the 2019 Approved Operating Budget for all City Divisions under Cost Element, GL 4473 for the cost per page maintenance and support. Funding for the equipment and managed fees is available in the 2019 Approved Capital Budget and 2020-2028 Approved Capital Plan, (CIT702-01-05). Funding details are provided in Appendix 1, Table 1.

## CALL SUMMARY

**Call Issued:** February 25, 2019 **Call Closed:** April 2, 2019
**Number of Addenda Issued:** Four (4)
**Number of Bids:** Seven (7)

Table 2: Summary of Proposals Received for RFP No. 3409-19-0079

| |
|---|
| Asca Office Solutions, Inc. |
| Canon Canada Inc. |
| HP Canada Co. |
| Konica Minolta Business Solutions (Canada) Ltd. |
| Lexmark Canada Inc. |
| Ricoh Canada Inc. |
| Xerox Canada Ltd. |

### Range of Scores

Of the seven (7) proposals received, only highest four (4) scoring proposals from the technical evaluation stage had their cost envelopes opened. Of those four (4) the highest scoring proposal received 90.43 points out of 100 while the lowest scoring proposal received 83.15 points out of 100.

## DIVISION CONTACTS

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## COMMENTS

For the recommended contract award, the following requirements have been met:

a. The firm recommended for award is the lowest bidder meeting specifications or to the highest scoring proponent based on the evaluation criteria included in the call and meeting the requirements of the call;

b. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

c. the total contract value is less than $20 million dollars (excluding applicable taxes) and the contract term is:

> 1. for a contract funded by the operating budget, 5 years or less including any option years; or
>
> 2. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

being within the authority of the Bid Award Panel;

d. there are no material written objections to the award;

e. the call document was advertised on the City's internet website and bids or proposals were opened publicly; and

f. the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above calls are on the file in the Purchasing and Materials Management Division.

## SIGNATURE

Michael Pacholok
Chief Purchasing officer

## ATTACHMENTS

Appendix 1: Table 1 Financial Impact Summary of Recommended Contract