

Clause 9 in Report No. 6 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on March 26, 2015.

Contract Award for Printer and Fax Consumables

Committee of the Whole recommends adoption of the recommendations contained in the following report dated February 18, 2015 from the Commissioner of Finance:

1. Recommendations

It is recommended that:

1. A contract for the supply, delivery and removal of printer and fax consumables be awarded to QRX Technology Group, at an estimated total cost of \$1,200,000, excluding taxes, for a 3 year term, from October 1, 2014 until September 30, 2017, with the option to renew for two additional one-year terms.
2. Council authorize the Commissioner of Finance, subject to satisfactory performance and pricing, to renew the contract for two additional one-year terms.

2. Purpose

The purpose of this report is to obtain authorization to award a contract for printer and fax consumables to the bidder identified through a York Purchasing Co-operative process led by the Town of Richmond Hill.

The award is to the bidder attaining the highest total weighted score, even though they were not the low bidder, which is why it is before Council.

Section 6.15 of the Region's Purchasing Bylaw No. 2014-53 reads as follows; "...if it is recommended that the award of the contract is not to be made to the bidder submitting the highest scoring bid at the lowest total cost, or, if applicable, the lowest cost per technical point, the award of the contract shall be subject to the approval of Council."

Each bidder's technical and management proposal, financial proposal and interview scores were combined to determine total scores; none of the bidders had the highest scoring bid at the lowest total cost.

3. Background

The Region has participated in cooperative contracts for a number of commodities over the last 18 years

Section 12 of the Region's Purchasing Bylaw No. 2014-53 states "The Region may participate with other government agencies or public authorities in co-operative purchasing, where the appropriate Commissioner determines it is in the best interests of the Region to do so." Section 12 further references that; "...the Region shall adhere to the policies of the agency calling the co-operative bid."

The Region has participated in cooperative contracts for a number of commodities and services for over 18 years. The York Purchasing Co-operative is a public purchasing cooperative within the Regional Municipality of York. The participating members of the York Purchasing Co-operative are as follows:

- The Regional Municipality of York
- City of Markham
- Town of Newmarket
- Town of Richmond Hill
- Town of Aurora
- City of Vaughan
- York Regional Police
- Town of Whitchurch-Stouffville
- Central CCAC (Community Care Access Centre)
- Town of Georgina
- York Catholic District School Board
- York Region District School Board
- Town of East Gwillimbury
- Township of King
- PowerStream Inc.
- Pal Care.

The Co-operative meets monthly to discuss the purchase of common goods and services, existing contracts and to allocate the Co-operative bid projects between its members (e.g., cleaning supplies and copy paper have been issued by a local school board as it has the largest requirements; York Region has issued bids for fuel, salt, asphalt and granular materials as the Region is the largest consumer of these products).

Combining requirements enables Co-operative members to obtain the best prices by leveraging volumes, which particularly benefits smaller local municipalities within York Region.

The procurement took place through the York Purchasing Co-operative

The Region and the member agencies of the York Purchasing Co-operative require the supply, delivery and removal of printer and fax consumables for their daily operations.

The previous contract for the supply, delivery and removal of printer and fax consumables was issued by the York Region District School Board for a 1 year term, with the option to renew for up to 3 additional 1 year terms.

On April 29, 2014, The Town of Richmond Hill, on behalf of the York Purchasing Co-operative, issued a new RFP for an initial 3 year term, from October 1, 2014 until September 30, 2017, with the option to renew for 2 additional one year terms.

The RFP was a standard Town of Richmond Hill bid document with terms and conditions approved by Co-operative members. The RFP was issued in accordance with Town of Richmond Hill's purchasing policies and procedures.

The following member agencies of the York Purchasing Co-operative were identified as participants:

- The Regional Municipality of York
- City of Markham
- Town of Newmarket
- Town of Richmond Hill
- Town of Aurora
- City of Vaughan, Community Centers and Vaughan Public Libraries
- York Regional Police
- Town of Whitchurch-Stouffville
- Central CCAC (Community Care Access Centre)
- Town of Georgina
- York Catholic District School Board
- York Region District School Board

4. Analysis and Options

The procurement was managed by the Town of Richmond Hill as the lead agency for the York Purchasing Co-operative

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RFP documents were prepared and released by the Town of Richmond Hill on behalf of the York Purchasing Co-operative on Tuesday, April 29, 2014. The RFP closed on Friday, May 23, 2014 at 2:00 p.m. (local time). Nine firms submitted proposals for this project. Thirty-five firms received the bid documents; 3 addenda were issued.

The proposals were evaluated using a 2-envelope system where the technical and financial information were received in separate sealed envelopes. Proponents were required to achieve a minimum technical score of 49 points (70%) out of a possible 70 points in order to qualify their financial proposal. As noted in Table 1, 4 of the 9 RFP submissions met the minimum technical score; 3 firms were selected to participate in the Interview process.

**Table 1
Proposal Submissions and Evaluation Scores**

Name of Company	Technical Score (70 points)	Financial Score (30 points)	Interview Score (10 points)	Total Score (110 points)	Total Price, all Co-operative Participants, OEM and Remanufactured Product (tax exclusive) *
QRX Technology Group	58.00	26.82	9.00	93.82	\$1,357,441.08
Staples Advantage	55.00	25.65	7.00	87.65	\$1,393,471.48
Computer Media Products	51.50	28.92	6.00	86.42	\$1,333,788.51
Laser Cartridge Services Inc.**	50.00	15.00	Not Applicable	Not Applicable	Not Applicable
AVO Systems Ltd.**	44.50	Not Applicable	Not Applicable	Not Applicable	Not Applicable
CWP Solutions **	37.00	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Printers Plus **	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Prokuron Sourcing Solutions, Axidata and Axisource **	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Commercial Laser Technologies **	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

* Total price for all Co-operative participants, OEM and Remanufactured product for year one of the contract.

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- ** The identified firms were not considered as per the following:
- Laser Cartridge Services Inc. – Did not provide pricing for OEM cartridges and therefore was not selected to participate in the Interview process
 - AVO Systems Ltd. – Failed technical
 - CWP Solutions – Failed technical
 - Printers Plus – Failed mandatory requirement
 - Prokuron Sourcing Solutions, Axidata and Axisource – Failed mandatory requirement
 - Commercial Laser Technologies – Failed mandatory requirement

Link to key Council-approved plans

This report is consistent with the 2015 to 2019 Strategic Plan's objective of practicing sound fiscal management.

5. Financial Implications

The estimated value of the contract for the initial three years term is \$1,200,000, excluding taxes

The total estimated value of the contract covering York Region's share over the initial three year term is \$1,200,000, excluding taxes. The estimated amount is based on a product point of sale report provided by the incumbent, QRX Technology Group, covering the 2010 through to 2014 period.

Sufficient funding has been included in the 2015 budget and 2016-18 outlooks to cover expenditures associated with this contract.

6. Local Municipal Impact

There is no local municipal impact associated with this report.

7. Conclusion

Printer and fax consumables are used on a daily basis by all Regional departments. The award of the contract to QRX Technology Group for a 3 year term will enable Regional departments to satisfy daily operational requirements.

For more information on this report, please contact Stan Gal, Director, Supplies and Services Branch, at ext. 71650.

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The Senior Management Group has reviewed this report.

February 18, 2015

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Accessible formats or communication supports are available upon request