

**STAFF REPORT: Financial & Information Services**

**REPORT TO:** Finance & Administration  
**MEETING DATE:** Tuesday, April 19, 2011  
**REPORT NO.:** FIS.11.18  
**SUBJECT:** Standardization and Cooperative Purchasing of Printer/Copier/Fax/Scan units  
**PREPARED BY:** Sherri Adams, Manager of Purchasing  
Cathy Bailey, IS Coordinator

**A. Recommendations**

THAT Council receive Staff Report FIS.11.18 "Standardization and Cooperative Purchasing of Printer/Copier/Fax/Scan Units"; and,

THAT Council approve the Town's participation in the provincial contract for the purchase of printer/copier/fax/scan units for the term of the contract; and,

THAT Council approve the standardized use of Xerox printer/copier/fax/scan units purchased under contract with Compugen, as described by the provincial contract; and,

THAT Staff lease or purchase units in accordance with approved Departmental budgets.

**B. Background**

The Town's "Purchasing of Goods and Services Policy POL.COR.07.05" allows for cooperative purchasing and standardization.

The Ontario Provincial Government Services (OPS) issued a competitive bid for Print Imaging Technologies and Services in 2010. Compugen (providing Xerox machines) and Ricoh were awarded the contract as Vendor of Record VOR-1027 – Print Imaging Technologies and Services for the initial term of two (2) years. The Ministry of Government Services further has the option to extend the Agreement on the same terms and conditions for up to three (3) additional one-year terms.

The OPS extended the terms and conditions of the agreements for the VOR contract to all of the Broader Public Sector (BPS). Municipalities are a member of the BPS, and as such are entitled to enjoy the cost savings of this contract.

The OPS sought pricing for leasing and also for purchase of the printing equipment.

Recently, three (3) existing printers located at both Town Hall and Thornbury Fire Hall were replaced individually under the terms of this provincial contract over a period of 6 months. All three units were purchased within the 2010 IT Continuous Improvement budget from reserves that were set aside to replace old printers. All three purchases

were done in accordance with the terms of the Purchasing of Goods and Services Policy POL.COR.07.05 and Procedures for same.

Reasons for replacement were:

- overdue for replacement under our Continuous Improvement program
- existing maintenance contracts were proving to be cost prohibitive
- regular repairs and downtime contributing to inadequate use of Staff time

Staff evaluated the total cost of ownership for a 5 year term of lease versus purchase for each unit and determined that purchasing was the most cost effective method of acquiring this equipment.

Staff is satisfied that extending future purchases with these units would be beneficial to the Town. Having the same manufacturer, distributor and service organization for all of our units helps Staff as follows:

- familiarity for internal users on the use of the units for copying, faxing, printing and scanning
- familiarity for IT staff for setup and configuration on servers and workstations
- one contact for service

Taking part in the provincial contract means:

- Making use of provincial buying power through their competitive bidding processes
- Service on most of the units is provided locally by RIS Document Solutions in Owen Sound
- Savings in administrative time administering the purchase and service contracts

## **C. The Blue Mountains' Strategic Plan**

Strategic Goal 6 - Provide a strong, well managed municipal government.

## **D. Environmental Impacts**

Obsolete units are being returned to the manufacturer for proper disposal, where possible.

## **E. Financial Impact**

For the three units that have been replaced, there were significant cost savings in operational costs due to the low service rates. Rates include setup, ongoing maintenance and supplies other than paper. Across the board, service rates are lower than previous.

For example, Financial Services replaced the aging Kyocera 9520 printer with the Xerox Work Centre 5755 (printer/copier/fax/scan). Estimated operational costs savings over the 5 year term are \$15,300.

Cost analysis shall be performed on each purchase over the term of the contract to ensure cost savings are in line with expectations and product needs are in line with work requirements.

## **F. Attached**

None

Respectfully submitted,

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Cathy Bailey, IS Coordinator

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Sherri Adams, Manager of Purchasing

For more information, please contact:

Cathy Bailey  
519-599-3131 x257  
[cbailey@thebluemountains.ca](mailto:cbailey@thebluemountains.ca)

Sherri Adams  
519-599-3131 x227  
[sadams@thebluemountains.ca](mailto:sadams@thebluemountains.ca)