



Staff Report for Committee of the Whole Meeting

Date of Meeting: November 6, 2017

Report Number: SRCFS.17.044

Department: Corporate and Financial Services

Division: Information Technology

Subject: **Support and Maintenance for Fleet of Sharp Multifunctional Devices**

Purpose:

Information Technology is seeking Council approval for a non-competitive acquisition greater than \$100,000, in accordance with the Procurement By-law No.113-16. The acquisition is for the supply, installation, and servicing of the Town's fleet of Multifunctional Devices.

Recommendation(s):

- a) That the contract for the provision of Sharp MFD Support and Maintenance be awarded non-competitively to Sharp Electronics of Canada for a cost not exceeding \$950,000 (exclusive of Taxes) pursuant to Article 7.1 Appendix "B" Part I – Sole Source Acquisitions Section (c) of the Procurement By-law No. 113-16 as the goods and/or services is to ensure compatibility with existing products that must be maintained by the manufacturer or its representative;
- b) That the Mayor and the Clerk be authorized to execute any necessary documentation to effect the contract upon the recommendation of the Commissioner of Corporate & Financial Services.

Contact Person:

Rob Jones, Manager – Client Services, 905-771-9996 ,2445.

Report Approval:

Submitted by: Mary-Anne Dempster, Commissioner of Corporate and Financial Services

Approved by: Neil Garbe, Chief Administrative Officer

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), Town Solicitor (as required), Commissioner, and Chief Administrative Officer. Details of the reports approval are attached.

Background:

The Town currently utilizes a total of 57 Multifunction Devices (MFD) to service its approximately 760 fulltime and 1100 part-time staff. The majority of the existing fleet of MFD's were purchased and implemented in 2017 as a part of the Town's Print Strategy. The Town hopes to support and maintain the devices throughout its expected 4-year lifecycle.

Maintaining the current Support and Maintenance agreement with Sharp Canada provides the following benefits in its MFD Service Program:

- a) Average 4-hour response time for all copier service calls.
- b) 95% fill ratio on parts and supply deliveries.
- c) 100% usage of genuine Sharp parts and supplies.
- d) Free moves and installations of all Sharp MFD's to any Town location.
- e) Free ongoing training to all Town employees on Sharp systems.
- f) Access to Sharp Canada's Service lab and engineering department for IT diagnostic testing and research.

Working directly with the manufacturer provides the Town an added benefit of reducing exposure to a third party buyout which would put the Town at risk of not being supported by an authorized reseller.

Financial/Staffing/Other Implications:

A 4-year maintenance agreement with Sharp Electronics of Canada would secure a standard Multi-Functional Device fleet rate of \$0.009 for Black & White pages and \$0.069 for colour. High capacity devices used in Office Services have been secured at \$0.0075 for black & white pages and \$0.06 for colour pages. This pricing is favourable when comparing the fleet rates other surrounding municipalities have negotiated with Sharp Electronics of Canada.

A projected 4-year cost of \$950,000 of MFD Support and Maintenance was derived from a 2017 projected expense of \$225,000 with a \$50,000 contingency. This amount is provisioned for annually in the Information Technology operating budget.

Relationship to the Strategic Plan:

The maintenance and support as identified in this report demonstrates an ongoing commitment to responsible municipal management and the wise use of municipal resources.

Conclusion:

The IT Division recommends awarding the Sharp MFD Support and Maintenance agreement to Sharp Electronics of Canada.

Report Approval Details

Document Title:	SRCFS.17.044.docx
Attachments:	
Final Approval Date:	Oct 12, 2017

This report and all of its attachments were approved and signed as outlined below:

Anthony Iannucci - Oct 10, 2017 - 8:19 AM

David Dexter - Oct 11, 2017 - 8:47 AM

Mary-Anne Dempster - Oct 11, 2017 - 11:49 AM

Neil Garbe - Oct 12, 2017 - 4:29 PM