



## Staff Report for Council Meeting

**Date of Meeting:** May 13, 2020

**Report Number:** SRCFS.20.013

**Department:** Corporate and Financial Services

**Division:** Information Technology

**Subject:** SRCFS.20.013 - Support and Maintenance for Fleet of Sharp Multifunctional Devices

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### 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 service and maintenance of the City's fleet of Multifunctional Devices.

### Recommendation(s):

- a) That...
  - (i) That the contract for the provision of Support and Maintenance for Fleet of Sharp Multifunctional Devices be awarded non-competitively to Sharp Electronics of Canada Ltd. ("Sharp Canada") for a cost not exceeding \$520,000 (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 are to ensure compatibility with existing products that must be maintained by the manufacturer or its representative;
  
- b) That...
  - (i) That the Mayor and the City Clerk be authorized to execute any necessary documentation to effect the contract upon the recommendation of the Acting Commissioner of Corporate & Financial Services

### Contact Person:

Paul Waddell, Manager, Client Support, 905-771-2419

Rob Jones, Acting Chief Information Officer, 905-771-2445

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### Report Approval:

**Submitted by:** Sherry Adams, Commissioner of Corporate and Financial Services (Acting)

**Approved by:** Mary-Anne Dempster, Interim City Manager

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

### Background:

The City currently utilizes 57 Multifunction Devices (“MFD’s”) to service its complement of full-time and part-time staff. The existing fleet of MFD’s were purchased and implemented in Q4 2016 and throughout 2017 as a part of the City’s Print Strategy. The City hopes to support and maintain the devices throughout the next 2 years and 8-months to December 31, 2022.

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 City location.
- e) Free ongoing training to all City employees on Sharp systems.
- f) Access to Sharp Canada’s Service lab and engineering department for IT diagnostic testing and research.

Utilizing Sharp Canada directly is the most cost effective option to continue receiving reliable support and maintenance. Other authorized Sharp resellers declined to provide a quote, citing the risks of assuming an already 3 year old fleet not previously sold or serviced by them.

### Financial/Staffing/Other Implications:

A 2-year, 8-month maintenance agreement with Sharp Electronics of Canada Ltd. would secure the same ‘new machine’ rates we currently have for our Multifunctional Device fleet. This rate is \$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 Ltd.

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A projected 2-year, 8-month cost of \$520,000 of MFD Support and Maintenance is forecasted based on the total cost of the maintenance agreement in 2019. This amount is already included as part of the annual 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 Ltd.

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### Report Approval Details

Document Title:	SRCFS.20.013 - Request for Approval - Renewal of Support and Maintenance for Fleet of Sharp Multifunctional Devices.docx
Attachments:	
Final Approval Date:	Apr 23, 2020

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

**Anthony Iannucci - Apr 22, 2020 - 3:20 PM**

**Sherry Adams - Apr 22, 2020 - 3:55 PM**

**MaryAnne Dempster - Apr 23, 2020 - 12:33 PM**