SUBJECT: Award of Contract C12-04-07 for Provision of External Printer and Mail Services (FCS07065) (City Wide)

RECOMMENDATION:

That Request for Tender C12-04-07 issued for Provision of External Printer and Mail Services be awarded, as and when required, to the following Vendors:

Section A: Business Cards, Letterhead and Envelopes - Data Business Solutions Inc.

Section B: General Print and Copy Services - Athens Printing; Stirling Print Solutions; Minuteman Press; Data Business Solutions Inc.; Ricoh Canada Inc.

Section C: Mail Services - Pegasus Direct Mail Worx Inc.

EXECUTIVE SUMMARY:

Qualified external printers and a mail service provider are required to assist City of Hamilton’s print room staff in performing the printing; copying and mail services function for the City of Hamilton. This contract is not intended to replace the City of Hamilton’s print room staff function but is merely to assist with printing, copying and mail services overflow and to assist with specific printing applications that the print room is currently not able to perform.
BACKGROUND:

The Request for Tender C12-04-07 for provision of external printers and mail service providers was issued February 2, 2007, and closed on April 16, 2007. A Bidder’s meeting was held on April 2, 2007. The contract will be awarded for a 12 month term, with an option to renew for up to two additional 12 month terms. There were submissions from 11 Bidders.

ANALYSIS/RATIONALE:

This Request for Tender was issued with definitive specifications for each section of the particular services required. Bidders were advised in the Request for Tender document they could bid on all or any of the sections outlined in the Specifications.

Section A - Special Standard Print Applications

This includes such printing of business cards, letterhead and envelopes service being awarded to one vendor as referenced in the Request for Tender. The recommendation for award is based on the lowest pricing and the ability to provide the service in accordance with the specifications of this section.

Nine Bids were received for Section A for Specific Print Services. Data Business Solutions Inc. is the Proponent recommended for award as they are the lowest bid of 9 submissions received.

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Total Price – Section A</th>
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<tbody>
<tr>
<td><strong>Data Business Solutions Inc.</strong></td>
<td>$84,596.25</td>
</tr>
<tr>
<td>SBF Inc.</td>
<td>110,275.00</td>
</tr>
<tr>
<td>Pegasus Direct Mail Worx</td>
<td>123,200.75</td>
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<tr>
<td>Minuteman Press (Stoney Creek)</td>
<td>153,508.89</td>
</tr>
<tr>
<td>Entire Imaging Solutions Inc.</td>
<td>170,966.30</td>
</tr>
<tr>
<td>Stirling Print Solutions</td>
<td>138,795.50</td>
</tr>
<tr>
<td>Allegra</td>
<td>203,710.00</td>
</tr>
<tr>
<td>Athens Printing</td>
<td>241,558.14</td>
</tr>
<tr>
<td>Miniglobe</td>
<td>419,239.77</td>
</tr>
</tbody>
</table>

Section B - General Printing and Copying Services

It is being recommended that this be awarded to five Successful Bidders, as referenced in the Request for Tender. The award is based on the lowest pricing and the ability to perform the contract for this section as specified in the RFP.

The Successful Bidders in Section B will be placed on the City’s Print Roster List, which will be used to generate competitive quotes issued by the City’s Print Room Staff on behalf of City Departments for print jobs over 5,000 combined impressions in black and white and for print requests over 1,000 impressions for colour.
Pricing submitted by the Successful Bidders of this section will be utilized as a base for quoting on the print and copy quotes that will be issued by the City, during the term of the contract. All invoice pricing charged for this service will be monitored and tracked by the City’s Print Shop to ensure the City is receiving the best price possible for external print and copy services required at the same terms and conditions as referenced in the Request for Tender document.

A formal competitive process will be used for print requests exceeding $50,000 or requests requiring an extensive design component.

Ten Bids were received for Section B for general print and copy services. The following five firms are being recommended for the Print Roster as they are the lowest 5 Bidders: Ricoh Canada Inc, Minuteman Press (Stoney Creek), Data Business Solutions Inc., Stirling Print Solutions and Athens Printing.

Bidder          Total Price – Section B
Ricoh Canada Inc.  $ 666,220.00
Minuteman Press (Stoney Creek)  803,315.00
Data Business Solutions Inc.  860,950.00
Stirling Print Solutions  918,750.00
Athens Printing  937,900.00
SBF Inc.  973,600.00
Allegra  979,125.00
Entire Imaging Solutions Inc.  992,500.00
Pegasus Direct Mail Worx  1,142,450.00
Miniglobe  1,743,250.00

Section C – Mail Services

This is being awarded to one Successful Bidder to assist the mail room staff in performing specific mail jobs such as “walkmails”, letter-mail, addressed ad mail, unaddressed ad mail and various mail jobs that require delivery to various Canada Post Depots within wards and to Canada Post direct.

Pegasus Direct Mail Worx is being recommended for award of this Section C for Mail Services as they are the lowest submission.

Bidder          Total Price – Section C
Pegasus Direct Mail Worx  $ 51,670.68
Data Business Solutions Inc.  55,154.14
Miniglobe  334,093.16

ALTERNATIVES FOR CONSIDERATION:
An alternative is not being presented for consideration as it would be more costly than awarding to the lowest tendered bids.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

**Financial Implications**

The costs will be incurred when the various printing, copying or mailing projects and activities that City Departments require services for are identified to the City’s Print Broker. The award amounts listed in this report are based on the estimated quantities provided in the Request for Tender document. Actual costs will depend on the requirements of each Client Department.

**Staffing Issues**

Staff in the print shop will co-ordinate the printing to the approved bidders and will be responsible for getting quotes and awarding printing covered under Section B.

**Legal Implications**

The recommendations in this report have no Legal implications.

**POLICIES AFFECTING PROPOSAL:**

Purchasing Policy Section 4.10 outlines the approval authority for acquiring goods and services. This contract is a Corporate Contract and requires staff to bring a recommendation to Council for approval.

**RELEVANT CONSULTATION:**

Staff from the City of Hamilton Clerk’s Department, including Print Services and City of Hamilton Purchasing Section participated in the Request for Tender development and award recommendation process.

**CITY STRATEGIC COMMITMENT:**

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Evaluate the implications of your recommendations by indicating and completing the sections below. Consider both short-term and long-term implications.

**Community Well-Being is enhanced.** ☑ Yes ☐ No

To ensure the City has on going services from qualified vendors for print and mail services.

**Environmental Well-Being is enhanced.** ☐ Yes ☑ No
Economic Well-Being is enhanced. ☑ Yes  ☐ No

Issuance of a Corporate contract ensures that volume discounts are maximized for the City.

Does the option you are recommending create value across all three bottom lines?

☐ Yes  ☑ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

☐ Yes  ☑ No