



# Corporate Report

NO: R143

COUNCIL DATE: June 23, 2003

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## REGULAR

TO: Mayor & Council                      DATE: June 23, 2003  
FROM: General Manager, Finance,      FILE: 1170-01  
Technology & HR  
SUBJECT: Three Year Contracts with Xerox for Photocopying and  
Reprographic Units

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## RECOMMENDATION

That Council approve the City entering into three (3) contracts with Xerox Canada Limited, each for a term of 3 years, regarding the following:

1. Analog Fleet: Analog photocopying requirements @ \$0.0185 per copy for an estimated annual contract price of \$40,700 (\$122,100 total);
2. Digital Fleet: Digital photocopying requirements for an annual contract price of approximately \$115,000 (\$345,000 total) which is comprised of an annual base fee of \$71,472 plus 0.0135 to 0.0150 per copy depending upon the copier model, and
3. Print Shop: Reprographic requirements for an annual estimated contract price of \$122,664 for 7,393,000 impressions per year, (\$367,992 total) plus \$0.0075 per copy in excess of 7,393,000 impressions per year.

## INTENT

That Council approve the City entering into three contracts with Xerox to supply the City with photocopying and reprographic needs for the next three years.

## BACKGROUND

There are currently 91 leased analog copiers located throughout the City facilities. The estimated total annual volume is approximately 5.2 million copies. In early 2002, Legislative Services initiated a Request for Proposal (Q60-2001) to renew our photocopier-leasing contract. We received responses from 4 suppliers, all of whom based their proposal on digital units.

Digital photocopiers have additional features that include networking capabilities, which could replace printers and faxes in some instances. There are various different models with several combinations of options and pricing.

Although analog photocopiers are no longer being manufactured, there is still a supply of such units available. In most cases, the analog units presently in use at City facilities adequately meet staffs' requirements. As such, the decision to continue the use of Xerox equipment was based to a large extent on the fact that Xerox was the only company willing to continue to supply analog copiers, thus making their proposal the most cost efficient.

A Photocopier Task Force was established to examine more closely the most practical and cost effective mix of digital and analog photocopiers. Since the lease for the reprographic units in the City's Print Shop expires in July 2003 the Task Force was also directed to assess the equipment needs of the Print Shop.

## **DISCUSSION**

The Task Force concluded that technology was changing very quickly and that a three year contract would allow staff to examine the full impact of adding digitally-connected photocopiers and reprographic equipment to our IT network infrastructure in the future.

The Task force recommends that the City enter into three separate contracts with Xerox for:

1. 68 analog copiers with a total estimated usage of 2.2 million copies per year;
2. 23 digital copiers with a total estimated usage of 3.0 million copies per year, and
3. 2 black and white reprographic units for the Print Shop with a total annual usage of 7,393,000 impressions per year.

The contracts include the delivery and installation of all units and a full service maintenance agreement for three years.

## **CONCLUSION**

Based on the Task Force findings, it is recommended that Council approve the City entering into three contracts with Xerox to satisfy the City's photocopying and reprographic needs. The contracts include the delivery and installation of all units and a full service maintenance agreement for three years. Funding is available in the 2003 budget for all of these contracts.

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