

3.2 CONTRACT FOR THE PROVISION OF PRINTING AND DISTRIBUTION SERVICES

(CF2009037: MK: PR)

Responsible Director: Marilyn Kearney, Carolyn McClean and Leigh Harder

RECOMMENDATION

That Council:

1. *Appoints the following suppliers to a Panel for the provision of Printing and Distribution Services for a three (3) year period for the schedule of rates submitted with their respective tenders (Estimated annual expenditure of \$447,000 GST inclusive) with options for the extensions of one year each:*

*Adams Print;
Corporate Express;
Forms Express;
Handline;
Highlight Printing;
Lanes Laser Printing P/L; and
Vern Morgan Printing*

2. *Authorises the Chief Executive Officer to execute the contract agreement; and*
3. *Authorises the Chief Executive Officer at his discretion to approve the extension options in the contract subject to satisfactory performance.*

BACKGROUND

In May 2008, Strategic Purchasing (SP) was appointed as Agent of the Monash City Council in accordance with guidelines established by the Minister for Local Government and in accordance with Section 186 of the Local Government Act for the purpose of calling and evaluating public tenders for the provision of Printing and Distribution Services. The purpose of using the services of SP is to attempt to gain any price advantage that may be available from combining Monash's requirements for goods and services with those of other Councils.

Tenders for the provision of Printing Distribution Services were advertised in the Herald Sun newspaper on 9 July 2008, Sydney Morning Herald on the 8 July and the Adelaide Advertiser on the 8 July for a contract period of three years with two (2) x one (1) year options to extend. The tender was also advertised through an online tender service provider, Gotenders. Gotenders is a service used for the purpose of downloading of documents through a registration process only. Twenty five (25) sets of tender documents were distributed to prospective tenderers with ten (10) tenders being received from:

- Adams Print
- Corporate Express
- Forms Express
- Handline
- Highlight Printing;
- Lanes Laser Printing P/L
- Vern Morgan Printing
- BGS Printing
- Dynamite Group
- Embassy Print

TENDER EVALUATION

SP acting as Council's agent conducted the tender evaluation process based on the following criteria:

- Compliance with Specification;
- Customer Focus;
- Contractors Performance;
- Corporate Social Responsibility; and
- Price.

In accordance with Council Policy approval to amend the price component of the tender was sought, as SP's advice to officers was that the competitive environment in the printing and distribution services industry warranted the increased emphasis on price. Approval was granted to proceed on this basis.

Price was considered at 70% with all other criteria making up the balance of 30%. A preliminary tender analysis report was provided to Council officers in order that Council could satisfy itself as to the recommendation being made by SP. A copy of the Tender Report has been circulated separately to Council.

The purpose of the panel contract is to ensure ongoing and continued supply of Printing and Distribution Services when required. No one single tenderer was competitive for all three (3) categories being: Print Services, Print Management and Distribution Services. Printing Services include: printing and distribution of rate notices, annual reports, dog and cat registrations, letter head, printed envelopes and business cards.

The recommended panel providers are located both within Victoria and other states. The larger organisations are more generally used for complex and large printing requirements i.e. Rates notices, Annual Reports etc.

Council's current local service provider, Vern Morgan Printing, submitted a tender but was not appointed to the statewide SP panel. Vern Morgan Printing provides Council with a quick turnaround for many small speciality print jobs. It is proposed to include Vern Morgan Printing on Council's panel of suppliers in order to ensure the availability of a local, quick and convenient service. This

supplier was competitive for the type of service provided but was not considered to meet the wider service requirements to be appointed to the State wide panel.

Of the other recommended tenderers, three are either current or past providers for the provision of Printing and Distribution Services. Information provided in the submitted tenders is supported by Council's current and previous experiences in working with a range of suppliers over a number of years. Each supplier has a range of expertise, experience and products suitable to the Council's ongoing needs.

Whilst all of the tenderers were able to supply either some or all of the products within each of the categories, the recommended seven were those most competitive on price.

FINANCIAL IMPLICATIONS

All tenderers submitted a schedule of rates for a range of products within the requirements of the specification. Savings in the range of 8 to 10% on current pricing are submitted for year 1 of the contract. Prices submitted vary from fixed for 180 days to variable over the term of the contract, all pricing is subject to any materials increases such as cost of paper, inks, fuel costs etc. Subsequent adjustments will be in accordance with CPI.

The provision of Printing and Distribution Services can be managed within the 2008/09 Budget.

RECOMMENDATION

That Council adopts the recommendation to appoint a panel of service providers including:

Highlight Printing;
Corporate Express;
Adams Print;
Forms Express;
Lanes Laser Printing P/L;
Handline; and
Vern Morgan Printing;

For the provision of Printing and Distribution Services for a period of three years with the option to extend the contract term for two (2) x one (1) year terms at the discretion of the Chief Executive Officer subject to satisfactory performance.