

5.2 TENDER FOR PRINTER AND COPIER RENEWAL

(CF2019025: AJ)

Responsible Officer: Jarrod Doake, Chief Operating Officer

RECOMMENDATION*That Council:*

- 1. Accepts the tender from Toshiba (Australia) Pty Ltd for Contract No. 2019025, for the Printer and Copier Renewal via the Procurement Australia contract 1805-0835 – Multi-Functional Devices, Leasing fixed rate over a 36 Month period, \$362,488.50 and in accordance with the schedule of rates submitted, estimated 36 Month period copy charges of \$284,149.80 (GST inclusive).*
- 2. Notes the anticipated project expenditure of \$646,638.30 (GST inclusive) over the 36-month term for the Supply, Support, Maintenance of Printers and Copiers.*
- 3. Authorises the Chief Executive Officer to execute the contract agreement.*
- 4. Authorises the Chief Executive Officer at his/her discretion to approve the two (2) extension option(s) for additional 12-month periods in the contract agreement subject to satisfactory performance. At yearly cost for leasing and print volume of \$215,546.10 (GST inclusive).*

INTRODUCTION

City of Monash via Procurement Australia contract 1805-0835 – Multi-Functional Devices (MFD's) and Related Products & Services has conducted a request for quote for the supply and maintenance of *Printer and Copier (multi-function) devices and copy charges*.

The responses received include the following:

- Provision of various MFDs and Printers (capacity for photocopying, printing, scanning and/or faxing)
- Provision of Warranty and Support Regime (including full maintenance)
- Provision of a cost per click rate
- Provision of a pro-active toner supply service
- Provision of a simple, transparent invoicing model
- Provision of a central help desk facility that covers all aspects of the Vendor's solution
- Provision of onsite and ongoing training sessions
- Provision of a Print Management solution
- Proactive dynamic monitoring of MFD components life cycles and error messages
- Provision of a sustainable solution
- End of contract equipment removal

BACKGROUND

City of Monash is seeking to appoint a sole vendor to provide the relevant hardware and services described above.

Current equipment is costly to maintain and new equipment offers greater efficiency and features such as secure printing.

CONTRACT PERIOD

The contract term as stated in the tender specification is for an initial 36-month period with options to extend for another two (2), 12-month periods.

PUBLIC NOTIFICATION

Tenders were invited via the Procurement Australia contract 1805-0835 – Multi-Functional Devices (MFD's) and Related Products & Services. Tenders were invited via Councils eTendering portal with a close date of 5th November 2018 – 2:00 PM.

TENDERS RECEIVED

Tender submissions were received from the following three (3) suppliers by the appointed closing time.

Count	Tendering Respondent
1	Fuji Xerox Australia Pty Ltd
2	Toshiba (Australia) Pty Ltd
3	Konica Minolta Business Solutions Australia Pty Ltd

Basic Compliance Checklist:

The submissions were subjected to a basic compliance test. This test ensured that the submitted tenders complied with the basic requirements of tendering.

TENDER EVALUATION**Evaluation Panel:**

The tender evaluation panel consisted of:

Mark Hofsteter	BT Service Desk Coordinator
Adil Khan	BT Infrastructure, Network and Security Coordinator
Dean Martir	BT Desktop Support
Alfredo Jimenez	BT Project Manager
Georgie Christopher (non-scoring probity adviser)	Strategic Procurement, Procurement Systems Coordinator

Evaluation Criteria:

The tenders received were assessed according to the following criteria listed in the tender documentation:

Evaluation Criteria	Weighting (%)
<i>Relevant Experience</i>	3%
<i>Suitability of the solution</i>	20%
<i>Ability to meet the required timeframe</i>	5%
<i>Sustainability, Environmental Initiatives</i>	5%
<i>Service Level Agreement</i>	5%
<i>Reference sites</i>	2%
<i>Price</i>	60%
Total	100%
Submitted completed Tender Response forms	Pass
Compliance with Specification	Pass
Local Government Experience	Pass
Insurance and Indemnity submitted in accordance with required limits	Pass
Occupational Health and Safety competence	Pass

DISCUSSION

The evaluation panel met to discuss tender responses and concluded that:

1. Suitability of the solution
 - a. Management Software
Toshiba has opted to implement one of the market leading applications, PaperCut, used by many government organisations and schools to manage document printing, secure follow-me print and reporting. This software has no limitations with the device brand.
 - b. Server Infrastructure
Toshiba's solution is 'light' compared to other proposed solution. Toshiba's PaperCut requires a single virtual server, making it easy to deploy and maintain.
 - c. Device Functionality
Toshiba has taken a leading position incorporating many functions as standard across all devices. The ability to preview printed or scanned documents, changing print job output preferences before releasing it or device remote management to implement security patches and software updates separates them from the rest.
2. Relevant experience
 - a. Toshiba have extensive local government experience delivering similar solutions.
3. Ability to meet the required timeframe
 - a. Toshiba is able to deliver the proposed solution within the required timeframe. Toshiba was the only vendor to have specified delivery target if awarded the contract.
4. Sustainability, Environmental Initiatives
 - a. Toshiba have comprehensive sustainability and environmental policies. Including the use of 100% recycled paper and the provision of recycling services for consumables.
5. Service Level Agreement (SLA)

- a. All respondents were partially compliant with Monash requested SLA of 2 Hrs. Toshiba have standard 4 Hrs response time from the moment a fault is detected or notified. Toshiba has differentiated themselves from the rest by offering a 2 hrs response time for nominated critical devices across all sites.
6. Reference sites
- a. All contacted referees have provided positive feedback.

EVALUATION OUTCOME OVERALL

Based on the evaluation criteria and weightings (Price 60% and Non-Price 40%) the preferred Tenderer was Toshiba with a total score of 97.96%.

Rank	Vendor	Non-Price (40 %)	Price (60%)	Total Score
1	Toshiba	38%	59.96%	97.96%

FINANCIAL IMPLICATIONS

City of Monash allocated operational budget to maintain our current Printer/Copier fleet is \$291,368 (GST inclusive) per annum.

The Capital Works program has an allocated capital budget of \$187,000 (GST inclusive) for this project.

The estimated print volumes are as follow:

Impressions type	12 Month Print Volumes	36 Month Print Volumes
Mono	2,089,200	6,267,600
Colour	1,513,200	4,539,600

Estimated copy charges were modelled on the above figures. This modelling is based on current data. It is foreseen that the copy charges would likely decrease over the course of the contract due to improvements to the reporting of data and print management solution (Secure/Follow-Me Print).

Vendor	Total 12 month Estimated Cost Inc. GST	Total 36 month Estimated Cost Inc. GST
Toshiba (Australia) Pty Ltd	\$ 94,716.60	\$ 284,149.80

Financial lease:

Vendor	Financial Lease Inc. GST over a 12-month term	Financial Lease Inc. GST over a 36-month term
Toshiba (Australia) Pty Ltd	\$ 120,829.50	\$ 362,488.50

Total expenditure:

Vendor	12 Month Cost Inc. GST	36 Month Cost Inc. GST
Toshiba (Australia) Pty Ltd	\$ 215,546.10	\$ 646,638.30

Estimated savings over 12 months of operational budget is \$75,821.00 and over the duration of the agreement of \$227,465.00.

CONCLUSION

The evaluation panel recommends the appointment of Toshiba (Australia) Pty Ltd for the Printer and Copier Renewal Contract No. 2019025 - \$587,853.00 excl. GST/\$646,638.30 incl. GST. The Agreement will operate for 36 months with an optional extension of two, 12-month periods, commencing from agreement signing with the selected vendor and expected to start by 11 February 2019.