



PRINT SOLUTIONS AND RELATED SERVICES

URGENT

**PLEASE FORWARD THIS DOCUMENT TO
WHOEVER IS IN POSSESSION OF THE BID
OPPORTUNITY**

ISSUED: August 13, 2010
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**THIS ADDENDUM SHALL BE INCORPORATED
INTO THE BID OPPORTUNITY AND SHALL
FORM A PART OF THE CONTRACT
DOCUMENTS**

Template Version: A20070419

Please note the following and attached changes, corrections, additions, deletions, information and/or instructions in connection with the Bid Opportunity, and be governed accordingly. Failure to acknowledge receipt of this Addendum in Paragraph 9 of Form A: Bid may render your Bid non-responsive.

QUESTIONS AND ANSWERS

The following are questions posed by prospective bidders

52. Section B14.9 - Page 8 of 12: Please provide clarity on this question. Specifically, can you please clarify and elaborate on your meaning or definition of the following sub bullets: (ii) Auditing capabilities, (iv) Configuration management model, and (v) Physical security of data storage devices.

- 52a. (ii) The City is looking to vendors to explain their offering in regards to tracking/recording of user or maintenance access activity to secure data or hard drives for auditing purposes.
- (iv) Configuration Management can be defined as the management of security features and assurances through control of changes made to hardware, software, firmware, documentation, test, test fixtures, and test documentation throughout the life cycle of the system.
- (v) Physical security of data storage devices can be defined as the physical features which serve to prevent unauthorized access to the internal storage subsystems of the device, either directly or indirectly (e.g. tamper-proof screws, keylock).

53. Amendment 3 clarified the calculation for Total Bid Price. The calculation however outlines that you will add the cost of any current devices the Contractors recommends keeping into the Total Bid Price. The formula therefore discourages a Contractor from recommending keeping any current devices in Form N as it will only increase the Contractors Total Bid Price.

A recommendation for this might be:

For the quantity of devices that the Contractor recommends be kept in Form N in the Low Volume, Mid Volume and High Volume those costs will be added into the Total Bid Cost and the associated quantity of devices and volume will be removed from the "total print charge" calculation in B22.4.1. Please see the below example for clarity.

On Form N the Contractor recommends keeping 100 Low Volume black and whites devices and has a proposed price of 2 cents an impression.

On Form B the Contractor proposes a price of 3 cents a black and white impression for the Low Volume device. The average impressions per device in the Low Volume category is 4286 (6,000,000 impressions / 1400 devices) Total number of black and white devices is 1260 (1400 x 90%)

Therefore the Contractors Total Bid Price in the Low Volume black and white category would be:
100 existing deployed devices x 2 cents x 4286 impressions = \$8,572
1160 net new devices x 3 cents x 4286 impressions = \$149,152.80
Total Bid Price for Low Volume Devices = \$157,724.80

- 53a. Your example shows exactly how we intend to evaluate Total Bid Price within the categories. Within our current B22.4, it states that Total Bid Price shall take "into account the cost per page in your Form N submission." This is intended to indicate we will be lowering the Form B evaluation quantities listed in B22.4.1 where applicable.
54. Amendment 3 the correlation between the device requirements in the RFP document (R, N1 and N2) was clearly made to the class of devices in Form B(R3). Based on the clarification, we have a couple of follow up questions:
- a) There are still several device classes (Low Volume Class Staff Access, Mid Volume Class Public and Staff Access, High Volume Class Public Access) that do not have a correlation to the Library section E.4 in the RFP document and where there are no devices required. Do you still require the vendors to price these out?
If you do, can you please provide some clarity as to the potential quantities as the RFP document is very specific for the library section on the expected quantity and associated printing / copying volume at each library.
 - b) Can you please clarify if the device specification requirements that we are to follow are now all listed in Form B(R3)? i.e. we identified that in the Low Volume Class Category R, it does not have the requirement for a coin-op unit, however that has been identified in the RFP document and is obviously a requirement.
- 54a. a) Yes. These devices may satisfy a need not yet identified but could materialize in the assessment phase. Only the public photocopying/printing was spelled out specifically for each branch. The printing quantities for the staff only devices and the public only printing were included in the RFP.
- b) The coin-op unit is required for the category R devices.
55. We are having difficulty understanding the revenue stream to the Contractor in the Library section. Can you please provide a specific example? i.e. for the Windsor Park location in 2009 there where 3,780 copies made by the public and 2,316 copies made by staff. The City has asked for an R category device for that location in the future. Our understanding of the revenue model is that the Contractor would then collect $\$0.20 \times 3,780 = \756 from the co-op machine. We would then fill out Form B with a cost per copy (i.e. 5 cents) and we would then bill the City 5 cents for the copies made by staff. The contractor would also be responsible for paying the City a \$15 per year license fee. Total revenue then to the Contractor for Windsor Park would be $\$756 + \$115.80 - \$15 = \856.80 . Can you please clarify if this is correct?
- 55a. It is not correct. For example: Let's say that at the Windsor Park Library the following took place: a) the public made 3000 copies, b) the staff make 2000 copies and c) the public printed 5000 pages all in a given month. The vendor would collect $\$0.20$ per page from the public only which equates to $(3000+5000) \times \$0.20 = \$1,600.00$. No revenue would be collected from the vending devices for staff copies since staff would be using a cash bypass method to make copies. Let's say the price per copy bid was $\$0.05$ for staff copies, $\$0.15$ per copy for public copies and $\$0.10$ per print for public prints. The vendor would then calculate the amount owed for each service as such: a) public made 3000 copies at $\$0.15$ per copy which equals $\$450.00$, b) staff made 2000 copies at $\$0.05$ per copy which equals $\$100.00$ and c) public printed 5000 pages at $\$0.10$ per page which equals $\$500.00$. The total owed to the vendor would be $\$1,050.00$ assuming no other charges were specified in the bid. The vendor would then owe the Library $\$550.00$. ($\$1600.00 - \$1050.00 = \550.00). This example only outlines the scenario for a given staff

and public shared device and does not include staff only devices such at the category N1 and N2 devices or any of the other staff only devices which would have no public revenue.

56. Can you please clarify that the patron cost per print is determined in the same manner as the patron cost per copy, as outlined in E4.16.1 (c)? Can you please clarify how the Contractor generates revenue from those prints and where the correlation for that cost per impression can be input in Form B?
- 56a. Yes it is. The contractor can specify one price for both staff and public copies/prints or can specify different prices for staff and public as was done in the example above. If only one price is quoted then we will assume it is the same for all users of the device.