



STAFF REPORT ACTION REQUIRED

Pay for Print and Related Services – Award of Contract

Date:	November 20, 2017
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to award the contract for Pay for Print to ITC Systems Inc. for the roll-out to all branches during 2018, partially subject to Council approval of the 2018 capital budget.

TPL's 2016-2019 strategic plan calls for TPL to transform for modern service excellence. The full implementation of the Pay for Print project helps to achieve this goal by providing up-to-date technologies that will allow the Library to expand the pay-for-use services it provides to its customers to include print from offsite or mobile devices and by replacing a mixed system of payment on the honour system and print release stations with a convenient electronic system of payment resulting in an increase in revenue and a more consistent customer-friendly experience.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the award of contract to ITC Systems Inc. for the supply, installation and maintenance of a Pay for Print system for a three-year contract with two one-year extensions, with a total value of up to \$856,277, excluding Harmonized Sales Tax (HST), comprised of:
 - 1.1 \$200,000 from the Equipment for Operational Efficiencies project included in the approved 2017 capital budget;
 - 1.2 \$318,199 from the Expansion of Technological Efficiencies project included the 2018 capital budget which is subject to Council approval; and
 - 1.3 \$338,078 in future operating costs which will be part of future operating budget submissions.

FINANCIAL IMPACT

Capital costs for the implementation of the Pay for Print system for all 100 branches total \$518,199 funded by \$200,000 from the Equipment for Operational Efficiencies project included in the approved 2017 capital budget, and \$318,199 from the Expansion of Technological Efficiencies project included in the 2018 capital budget which is subject to Council approval, expected February 12-13, 2018.

Annual operating costs for the Pay for Print system are \$79,742 for 2019 and 2020, and \$89,297 for 2021 and 2022.

	ITC Systems	Total 5 year cost – Award of Tender	Total first Year Capital includes 1st year maintenance 2018	2019 Operating Costs	2020 Operating Costs	2021 Operating Costs	2022 Operating Costs	Total 2019-2022 Operating Costs
Award of Tender	Total Pay for print solution - WebPortal, with WiFi Printing	\$856,277	\$518,199	\$79,742	\$79,742	\$89,297	\$89,297	\$338,078
	Current pay for print operating costs			\$12,500	\$12,500	\$12,500	\$12,500	\$50,000
	Net Increase in operating costs			\$67,242	\$67,242	\$76,797	\$76,797	\$288,078

After considering the annual costs of \$12,500 for the current printing system, the net operating budget pressure will be \$67,242 for 2019 and 2020, and \$76,797 for 2021 and 2022, as shown in the table above. These amounts will be part of future year budget submissions. Once Pay for Print is fully implemented, revenues are expected to increase by approximately \$120,000, which will more than offset these increased operating costs.

The Director, Finance and Treasurer has reviewed this financial impact statement and is in agreement with it.

ALIGNMENT WITH STRATEGIC PLAN

TPL's 2016-2019 strategic plan calls for TPL to transform for modern service excellence. The goals of the Pay for Print project are to:

- provide up-to-date technologies that will allow the Library to expand the pay-for-use services it provides to its customers to include print from offsite or mobile devices;
- allow printing from anywhere whereby print jobs could be sent from home, a mobile device or in branch computers and later released at any device in the rolled out branches;
- expand availability of scanning on devices in rolled-out locations;

- offer self-serve by allowing payment on-line to customers, thereby reducing their reliance on Library staff;
- replace a mixed system of payment on the honour system and print release stations with a consistent system of payment that will result in an increase in revenue; and
- enable data collection by the system that will assist the Library in future evidence-based decision making.

ISSUE BACKGROUND

The Library's current printing system was purchased over 15 years ago and was intended to be implemented at all Library branches. Many of its parts are old and do not reflect current technological offerings. The roll-out stopped after being installed at only 11 branches due to the complexity of the system that required increased Library staff intervention to use it and the cost of implementation. At branches where the pay-for-printing system was not installed, an honour system is used to collect payment from customers for printing services.

Staff at a number of branches were interviewed in order to document a list of concerns with the current system. After an assessment of logistics and cost, it was determined to proceed to a Request For Proposal (RFP) and pilot a more permanent, long-term printing solution that would better meet customer needs.

COMMENTS

Procurement and Evaluation Process

The Library released RFP TPL 040-2015 on January 7, 2016. The RFP was posted on the Bidding and MERX bid posting websites. Eight proponents attended the mandatory briefing meeting and the Library subsequently received five compliant proposals.

The staff Evaluation Team was cross-functional with members from different departments, different functional roles, and different branches. The team reviewed the proposals and considered the information provided that was used to assign the scores for both proponent capabilities, service and optional value-add services.

The three highest-ranked proponents, based on the aggregate scores of the proposals and financial arrangements, were shortlisted and invited for an interview with the Evaluation Team. ITC Systems was the highest scoring bidder and was selected to pilot the pay for print solution.

Pilot Project

Six branches were selected based on a mixture of size and location for a pilot roll-out in July 2017. In order to evaluate the service, surveys were conducted to gather both public and staff feedback about the new pay-for-print solution proposal.

The results of these surveys show that the public are pleased with the service enhancements provided as a result of the new system. These include scanning, mobile printing, stapling for

printing and copying. Eighty-four percent of customers did not experience difficulty using the new service.

Most of the concerns include known problems that have since been resolved that affected the speed of transactions and the number of steps required. Some customers who described the services as more complicated are comparing the process to the honour system that was in place prior to the implementation.

Printing, photocopying and scanning are the most frequently used services during the pilot. Mobile printing is expected to be more popular when the full roll-out allows widespread promotion.

Staff report that most customers are comfortable with the service after using it once or twice. Several enhancements suggested by staff and customers are being explored and will be part of the system implementation. Based on the positive results of the pilot, roll-out to all 100 branches is being recommended.

CONTACT

Ian Stegman; Manager, Technology Infrastructure; Tel: 416-395-5920;
E-mail: istegman@torontopubliclibrary.ca

Alex Hocevar; Director, Digital Services & Emerging Technologies; Tel: 416-393-7104;
E-mail: ahocevar@torontopubliclibrary.ca

SIGNATURE

Vickery Bowles
City Librarian