



Exhibition Place

Item No. 14

ACTION REQUIRED

January 16, 2015

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Agreement for Digital Sign and Banner Printing and Related Sign Services**

Summary:

This report recommends the Board enter into an agreement with PNH Solutions Inc. (PNH) for the provision of four-colour process digital sign and banner printing along with related sign services to Exhibition Place.

Exhibition Place operates a graphics shop that provides internal signage services to Exhibition Place. In addition, a large portion of the services rendered by the graphic shop is for clients of the Board at market prices. The proposed agreement augments the in-services offered.

A Request for Quotation (RFQ) process was issued for the provision of four-colour process digital sign and banner printing and related sign services.

Recommendation:

It is recommended that the Board approve an agreement with PNH for a period ending December 31, 2015, with the option to extend for an additional three (3) separate one year periods, on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer of the Board and the City Solicitor.

Financial Impact:

The projected annual expenditure for contracted four-colour digital sign and banner printing and related sign services is \$75,000 of which more than \$70,000 is recoverable from clients of the Board. The remaining \$5,000 is provided for in the current year Operating Budget.

Decision History:

The Exhibition Place 2014-2016 Strategic Plan has a Financial Goal to *maintain a positive operating financial performance across Exhibition Place and all its businesses* and as a Strategy to support this Goal *we will seek new or expand revenue opportunities within our existing operations and ensure operating budgets are met or show a positive surplus to budget.*

In November 2010 the Board entered into agreement with PCL Graphics Ltd. for the provision of four-colour digital sign and banner printing and related sign services commencing January 1, 2011, and expiring December 31, 2014.

Issue Background:

The term of the contract with the existing supplier expired December 31, 2014.

Comments:

On October 01, 2014, Exhibition Place through the services of City of Toronto issued a RFQ to establish a new agreement for provision of four-colour digital sign and banner printing and related sign services. The RFQ closed on October 16, 2014 and after review was cancelled because of inconsistencies in the price schedule. On November 24, 2014, the RFQ was reissued with a revised price schedule.

The RFQ specified the Board's requirements and service expectations and, was accordingly structured in a manner that required bidders to submit unit pricing for various types of banners and related signage. For comparison purposes, these rates quoted were applied to projected annual requirements resulting in Total Lump Sum Prices. Firm prices were quoted for the first year with quoted percentage increases applied for each option year.

The RFQ closed on December 8, 2014 with nine quotations received. The Lump Sum prices were as follows:

Bidder	2015	2016	2017	2018
PNH Solutions Inc.	59,592	60,188	60,790	61,398
O/A Owl Lite Digital	64,685	65,979	67,299	68,644
The IDP Group	67,385	67,385	67,385	67,385
BizSigns	69,628	69,628	69,628	69,628
Beyond Digital Imaging Inc.	68,154	71,591	75,140	78,897
Imaged Advertising Creations Inc.	68,000	78,200	93,840	117,300
M.C. Reproductions Inc.	89,225	89,225	89,225	89,225
ARC Document Solutions	156,930	156,930	156,930	156,930
Spectra Advertising	227,900	232,458	237,107	241,849

The PNH quotation is the overall lowest acceptable bid received in compliance with all requirements.

The City of Toronto Fair Wage and Labour Trades Office confirms that this bidder is in compliance with the Fair Wage and Labour Trades requirements for this work

Headquartered in Quebec, with a production facility in Mississauga, PNH was founded in 1989, and has partnered with leading marketing professionals, agencies, large corporations, and governments from Canada, the USA and around the world to help promote and display their brands, using a vast array of digital print services. High-quality printing and production capacity allow them to offer a wide variety of print solutions. References include Cara Foods, SDI Marketing and NHL Events.

The substantial terms of the agreement will be as follows:

- (a) Term: Upon award, for a period ending December 31, 2015, with the option to extend for an additional three separate one-year periods subject to satisfactory performance review and budget availability.
- (b) Pricing: Pricing be fixed during the term of the Agreement.
- (c) Assignment: The agreement shall not be assigned by PNH without written consent of the Board.
- (d) Indemnity/Insurance: PNH shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording.

- (e) Union Obligations: PNH shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
- (f) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

Contact

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