

FURTHER TO AUTHORITY MEETING #7/05  
To be held Friday, September 30, 2005

Pages

7. SECTION I - ITEMS FOR AUTHORITY ACTION

NEW ITEM - ITEM 7.3

7.3 LEASING OF COPIERS

23-26

9. CONSIDERATION OF REPORTS OF THE BUSINESS EXCELLENCE ADVISORY  
BOARD MEETING #4/05, HELD ON SEPTEMBER 23, 2005

Refer to pages printed on YELLOW

SECTION I - ITEMS FOR AUTHORITY ACTION

ITEM 9.12 - WALK IN ITEM CONSIDERED AT BUSINESS EXCELLENCE ADVISORY  
BOARD NOT CIRCULATED WITH AUTHORITY AGENDA. RECOMMENDED BY  
BUSINESS EXCELLENCE ADVISORY BOARD AS ATTACHED

9.12 BULLFROG POWER GREEN ELECTRICITY CONTRACT

Seeks approval to enter into a green electricity contract with Bullfrog Power Inc.

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**REMINDER:**

**MEETING IS IN THE EVENT PAVILION,  
BLACK CREEK PIONEER VILLAGE. PLEASE DRESS WARMLY.**

**TO GET TO PAVILION, WALK THROUGH VISITORS CENTRE AND  
FOLLOW BOARDWALK. CONTINUE ON BOARDWALK PAST THE  
TINSMITH'S SHOP (1ST BUILDING) AND FOLLOW THE BOARDWALK  
TO THE RIGHT**

**TO:** Chair and Members of the Authority  
Meeting #7/05, September 30, 2005

**FROM:** James W. Dillane, Director, Finance and Business Services

**RE:** **CONTRACT FOR COPIERS**

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**KEY ISSUE**

Award of contract for supply of copiers.

**RECOMMENDATION**

**THAT a contract for lease of 4 black and white, multifunction copiers and purchase of one colour multifunction copier be awarded to Ikon Office Solutions, it being the quotation that best meets Toronto and Region Conservation Authority (TRCA) specifications at the lowest cost;**

**AND FURTHER THAT staff be authorized and directed to take the necessary action to implement the contract including signing of documents.**

**BACKGROUND**

TRCA has about 10 copiers in use: nine of these are Minolta copiers while one is a Xerox machine. The typical life for copiers has been three years within a high use area and four years in a less busy area. Four of the copiers are replacing existing equipment while one copier will meet new needs at the Downsview Office. Analysis by TRCA staff has shown that moving to multifunction copiers will best meet TRCA needs.

**RATIONALE**

In the spring of 2005, Xerox performed a 'no cost' analysis of TRCA copier and printing needs. The analysis showed that money could be saved by printing to copier/printing machines as opposed to laser printers. Interviews with staff identified areas of need which were not being met by the current equipment.

Using the report as a guide, staff performed their own price analysis to confirm the findings of Xerox staff. TRCA has about 50 colour, black & white laser and inkjet printers and fax machines in use. The analysis showed a wide range of costs from 1.8 cents per copy for some laser printers to 4.7 cents to print out a fax page. The average cost was 2.58 cents per page. Printing a fax or laser page to a multifunction copier has the potential for significant savings. Multifunction machines would allow staff to scan, fax, print and copy all at one platform. Also, records staff want to provide an avenue for all staff to easily store their paper documents into Laserfiche, TRCA's electronic records and document system.

In the summer, staff requested proposals for the use of Minolta, Xerox, Toshiba, Canon and Ricoh equipment. The Ricoh equipment was not considered due to its high cost. The Xerox equipment was not considered due to the poor performance of a test project at the Downsview Office. Staff visited Toshiba Canada and tested their copiers. The speed of the copiers in the double-sided mode was extremely slow. The interface to Laserfiche was also very awkward. The Canon product which was rated at the same speed of the Toshiba product produced the same double-sided print job in 25% less time. Of all the machines tested, the Canon product was considered to be the easiest to clear jams, easiest to operate and understand and easiest to store documents to Laserfiche.

Copiers fall into one of three tiers from a cost and reliability standpoint. Predominantly, TRCA has leased copiers such as Minolta and Toshiba, in the tier two level. Canon products fall in the tier one category which means that the life of the equipment is superior. As a result, staff recommend four year leases if leasing is financially attractive.

As a company, Canon has a strong corporate emphasis on supporting environmental projects as well as sustainability. They fund Canon Envirothon, which provides annual funds through provincial forestry associations, to help build awareness and support to high school students across the country. Canon sponsors the Canon Cup, a Peel Region Environmental conference and fair. They also host a National Parks Science Scholar program. The Canon Sustainability report shows that Canon has a strong environmental strategy and vision from reusing empty toner cartridges to reducing the use of designated chemical substances by using 'green products' whenever possible. Their mission statement is similar to TRCA's in that they seek to preserve nature and non-renewable resources for many generations to come.

Two of the machines to be replaced are located at Head Office with Canon ImageRunner 5570 machines. The Downsview Office, which recently grew with the addition of communications and community transformation staff, would also get the 5570. At the Visitors Centre, the Foundation/Parks and Culture office black and white copier will be replaced by a hybrid machine which has combined colour and black & white abilities. This will also service Black Creek Pioneer Village (BCPV) staff. An ImageRunner 4570 black and white copier will replace the copier at the Boyd Office.

## **FINANCIAL DETAILS**

While the move from standalone copiers to networked, multifunction machines with added features will save costs in the long run, staff are investigating the cost effectiveness and productivity of this solution across TRCA offices. Over time staff will not replace laser printers where these copiers can provide the production needed at lower cost. The cost of each print or fax will be reduced from approximately 2.58 cents per copy to 0.7 cents per copy. A standard of 0.5 cents per copy for colour copies, regardless of size, will be implemented across the TRCA.

Quotations from Ikon Office Solutions and Canon Directs sales were requested as these are the only suppliers of Canon equipment. The following chart outlines comparison costs vs. lease costs for a Canon ImageRunner 5570, one of the black and white machines to be leased. The other three black and white copiers show similar savings.

Company	Outright Purchase	Expected Four Year Cost if Purchased	Maintenance Cost/Copy	Expected Four Year Cost if leased
Ikon Office Solutions	\$18,734	\$34,493	\$.0070	\$34,493
Canon Direct Sales	\$21,053	\$38,510	\$.0103	\$42,316

As the leasing costs are the same over the four year term as outright purchase costs, staff recommend that TRCA lease these 4 copiers rather than buy them. Ikon has offered a 0% interest over the term of the lease and Ikon has agreed to lock in maintenance costs over the term of the lease which Canon Direct Sales was not prepared to do. In addition, Ikon has provided a \$7,000 professional services credit to TRCA for future professional services fees toward the continued LaserFiche implementation.

Staff evaluated leasing and outright purchase options for the colour copier as well. The 0% interest rates available to the black and white machines was not available for the colour machine. As a result, staff will exercise the purchase option for the colour copier.

Company	Outright Purchase	Expected Yearly Costs if Purchased	Maintenance Cost/Copy B&W/Colour	Expected Yearly Costs if leased
Ikon Office Solutions	\$14,237.	\$21,782	\$.011/.135	\$28,385
Canon Direct Sales	\$14,476.	\$23,380	\$.0155/.139	\$35,329

The chart below outlines the feature and costs for the 5 copiers, 4 of which are being leased and one which is a purchase.

Location	Machine & Features	Cost	4 Year Cost with Maintenance
BCPV, Conservation Foundation, Parks and Culture	ImageRunner C3100 Digital Colour Copier, Finisher P-1, Multi_PDL Print Kit - B1, DADF, Cassette Feed Unit -Y1, Universal SendKit B1	\$14,237.	Purchase \$21,782. Lease \$24,834.72
Head Office - South Office Location	ImageRunner 5570 Digital Black and White MF Copier, S1 Finisher, Multi-PDL Print Kit - E1, Super G3 Fax Board - R1, Universal Send Kit D1	\$21,053.	Purchase \$34,493. Lease \$34,493.
Head Office - Initially Records Area - Proposed Planning and Development or Property	ImageRunner 5570 Digital Black and White MF Copier, Saddle Finisher - T2, Super G3 Fax BoardR1, eCopy Sharescan, LaserFiche Connector	\$27,444.	Purchase \$40,884. Lease \$41,944.

Head Office - Initially Downsview Office - Proposed - Planning and Development, Property or remain at Downsview	ImageRunner 5570 Digital Black and White MF Copier, S1 Finisher, Multi-PDL Print Kit - E1, Super G3 Fax Board - R1 Universal Send Kit D1	\$21,053.	Purchase \$34,493.  Lease \$34,943
Boyd Office	Image Runner 4570 Digital Black and White MF Copier, S1 Finisher, Universal Send Kit D1, Punch Unit	\$13,753.	Purchase \$17,593.  Lease \$17,593

Report prepared by: John Annunziello, extension 5272  
For Information contact: John Annunziello, extension 5272  
Jim Dillane, extension 6292  
Date: September 27, 2005

**RES.#C63/05** -

**BULLFROG POWER GREEN ELECTRICITY CONTRACT**

Seeks approval to enter into a green electricity contract with Bullfrog Power Inc.

Moved by: Rob Ford  
Seconded by: Bill O'Donnell

**THE BOARD RECOMMENDS TO THE AUTHORITY THAT approval be granted to enter into a contract for supply of "green" electricity with Bullfrog Power Inc.;**

**THAT the contract be in a form and on terms and conditions satisfactory to staff and Toronto and Region Conservation Authority (TRCA) solicitors;**

**AND FURTHER THAT staff be authorized and directed to take such action as is necessary to complete the contract including signing of documents.**

**CARRIED**

**RATIONALE**

Staff has met with representatives of Bullfrog Power Inc., a recently established green electricity supplier. Attached is a brief description of the company.

Members are aware that TRCA has entered into a contract to secure from Ontario Power Generation (OPG) "green" electricity which is guaranteed 50% Ecologo based. The cost of this contract is about \$17,000 annually and means that about 10% of the electricity used by TRCA is "green" energy.

Staff advised the Authority at the time of the OPG contract (January 2004 commencement), that we would seek to increase the use of green electricity as opportunities arose.

The Kortright Centre For Conservation (KCC) is the subject of a major needs study to determine the nature of required restoration as well as new facilities to be created. KCC is the central focus of The Living City Centre. One feature staff would like to be able to market is that KCC is supplied by 100% green electricity. Bullfrog Power is able to supply 100% green electricity and to do so directly.

Also, Bullfrog is offering a number of significant marketing opportunities since TRCA would be among its very first corporate clients. On September 28, 2005, Bullfrog Power will be launching its green power initiative. As an initial client, TRCA will participate in this event and benefit from inclusion in Bullfrog marketing initiatives.

**FINANCIAL IMPLICATIONS**

Details of the contract need to be completed to the satisfaction of TRCA staff. Bullfrog has proposed a rate of 8.3 cents/kilowatt hour. This is a premium of about 3.5 cents/KwH which is comparable to the green electricity cost for OPG.

KCC staff is assembling billing information which will determine the details of the contract. The estimate is that the additional premium for KCC to be 100% green powered will exceed not \$15,000 annually. This would be an additional operating cost KCC would have to absorb.

As part of The Living City Centre project, the potential to decrease electricity use and to produce electricity on site are being explored. It is hoped that these efforts will eventually offset the additional cost to use green electricity.

Most important, the ability to engage in joint marketing with Bullfrog Power is a significant opportunity for TRCA and the Conservation Foundation.

**For Information contact: Jim Dillane, extension 6292**

**Date: September 22, 2005**

**Attachments: 1**

Attachment 1

You can make a difference with the flick of a switch.



**bullfrog power:**  
clean, reliable electricity

Bullfrog Power is the first 100% green electricity retailer in Ontario. Clean power is here. It's reliable. And making the switch is simple!

Bullfrog Power is the only electricity retailer in Ontario that buys power exclusively from wind and low-impact hydro generators who meet or exceed the federal government's EcoLogo<sup>®</sup> standard for renewable electricity. We are committed to increasing the amount of renewable power in Ontario, and we are working to develop new production facilities to meet the needs of bullfrogpowered<sup>™</sup> customers.

**why go green?**

Electricity production is the largest industrial source of air pollution in our province – pollution that poses significant health risks to Ontarians. Choosing green power is an easy way to do your part to create a healthier environment for future generations. When you sign up for Bullfrog Power, your electricity dollars will go to clean, renewable electricity producers who are displacing polluting and CO<sub>2</sub>-emitting electricity production on the grid.

	Regular Mix	Bullfrog Mix
Wind	<1%	20%
Certified Low-Impact hydro	2%	80%
Nuclear	37%	0%
Coal, Oil and Gas	36%	0%
Other hydro	24%	0%
Other	<1%	0%

**does green electricity cost more?**

Yes, but only a little. Bullfrog Power costs 8.3¢ per kilowatt hour. For the average homeowner, that adds about \$1 a day to the electricity bill, or about the same cost as a bottle of water a day – a small price to pay to make a big difference. Plus, some of this increase may be avoided by taking a few simple steps to conserve electricity around the home.

**how does bullfrog power work?**

Buying clean electricity is easy! When you switch to Bullfrog Power, you continue to draw your power from Ontario's electricity grid in the same way that you always have, but your dollars are directly supporting renewable power generation. No nuclear. No coal. All clean.

**who is Bullfrog Power?**

100% Canadian owned and operated, Bullfrog Power is a responsible corporation that donates 10% of its profits to organizations that promote sustainability. All of our green power purchases are verified and audited annually by a leading national accounting firm.

**ready to switch?**

- Easy, fast, online signup
- No special equipment or service calls are necessary
- No change to the reliability of your electricity supply
- No lock-in. You can switch back to your utility if you are ever unhappy with our service

**Choose to go green today!**

Sign up online for Bullfrog Power at [www.bullfrogpower.com](http://www.bullfrogpower.com)

