



Report to: General Committee

Meeting Date: May 14, 2024

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| <b>SUBJECT:</b>     | Off-Site Records Storage and Retrieval Services through the Ontario Provincial Government via OPS Vendor of Record |
| <b>PREPARED BY:</b> | Hassan Madar, Senior Buyer, Ext. 2177  |

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**RECOMMENDATION:**

- 1) That the report entitled “Off-Site Records Storage and Retrieval through the Ontario Provincial Government via OPS Vendor of Record” be received; and,
- 2) That the contract for Off-Site Records Storage and Retrieval Services for a period of ten years (2024 – 2033) be awarded to the Iron Mountain Canada in the annual estimated amount of \$43,990.00 (Incl. of HST) or \$439,900.00 (Incl. of HST) over the ten-year term; and,
- 3) That the contract in years 2025 – 2033 be increased by an annual amount lower than 1% each year; and,
- 4) That the contract award in the amount of \$43,990.00 be funded from the operating account 400-402-5539 (Records Storage) with an annual budget of \$60,887.00, and that the estimated favourable variance in the amount of \$16,897.00 (\$60,887.00 - \$43,990.00) be reported as part of the 2024 year-end results of operations; and,
- 5) That funding for future terms of the contract be included in requested annual operating budgets; and
- 6) That the City’s Tender process be waived as the Ontario Provincial Government has undergone their own competitive process and in accordance with Purchasing By-Law 2017-8, Part II, Section 11 Non Competitive Procurement, item 1 (c) which states “Where the extension of an existing Contract would prove more cost-effective or beneficial”; and,
- 7) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of this report is to obtain approval to extend the contract for Off-Site Records Storage and Retrieval Services through the Ontario Provincial Government via OPS Vendor of Record. The new pricing will commence July 1, 2024.

**BACKGROUND:**

The scope of service for this contract includes the following:

- Off-site records storage in secure and environmentally controlled facilities for both paper and electronic records;
- The provision of a searchable on-line database with reporting capabilities regarding records at off-site facilities;
- Retrieval of records as requested by Markham staff;
- Secure transportation for records to and from the off-site facilities and Markham offices;

- Re-filing of records including loose correspondence;
- Vault storage for archival collections;
- Faxing and scanning facilities for urgently required records;
- Disposition/destruction of records based on the Markham’s records retention bylaw and records and Information Management Policy.

The City has been working with Iron Mountain Canada since 1996 and our current contract through the York Cooperative is coming to an end. In the past, the City of Markham would join the York Cooperative (Municipalities in York Region) in a cooperative tender to the marketplace to leverage our buying power and to attain efficiencies.

In assessing options, the Procurement teams from the York Cooperative reviewed and analyzed the current contract between Iron Mountain Canada and Ontario Provincial Government in lieu of issuance of a separate tender. The Ontario Provincial Government is under contract with Iron Mountain for the Offsite Records Storage and Retrieval Services until 2033, and included in their contract is a provision for municipalities to enter into the same agreement and obtain the Province’s pricing.

Procurement staff undertook a cost analysis and comparison of the services rendered through the City’s current contract with Iron Mountain Canada and the Province’s contract. By leveraging the Province’s contract, the City will reduce our annual pricing by approximately 28%. The largest expenditure under this contract (storage costs, representing 80% of the award) will remain firm fixed for the duration of the contract’s term. The remaining cost of this contract (20%) for items such as carton retrieval, transportation and re-boxing will increase annually by 2.5% to account for inflation.

In addition to the cost reductions noted above, the City has also seen a significant reduction in offsite storage requirements due to the continued transition of electronic document management processes undertaken by City Departments.

**FINANCIAL CONSIDERATIONS**

| Recommended bidder                | Iron Mountain Canada |   |
|-----------------------------------|----------------------|---|
| Current budget available          | \$ 60,887.00         | 400-402-5539 (Records Storage)          |
| Less Cost of award                | \$ 43,990.00         | 2024 Cost of Award (Inclusive of HST)   |
|                                   | \$ 43,990.00         | 2025 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2026 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2027 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2028 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2029 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2030 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2031 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2032 Cost of Award (Inclusive of HST) * |
|                                   | \$ 43,990.00         | 2033 Cost of Award (Inclusive of HST) * |
|                                   | \$439,900.00         | Cost of Award (Inclusive of HST)        |
| Budget remaining after this award | \$ 16,897.00         | **                                      |

\*Will be included in, and subject to adoption of future annual operating budgets as well as the 2.5% increase for 20% of the contract items.

\*\*The remaining budget in the amount of \$16,897.00 will be reported as part of the year-end results of operations. There is no incremental impact to the Life Cycle Reserve Study.

**HUMAN RESOURCES CONSIDERATIONS**

Not Applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

This project aligns with the City's goal in ensuring that all documents are safely stored in a safe and secure place.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Legislative Services and Finance.

**RECOMMENDED BY:**

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Kimberley Kitteringham  
City Clerk & Director,  
Legislative Services

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Trinela Cane  
Commissioner, Corporate Services