

**RETURN BIDS TO:**  
**RETOURNER LES SOUMISSIONS À:**  
**Bid Receiving - PWGSC/Réception des soumissions**  
**- TPSGC**  
**11 Laurier St/11, rue Laurier**  
**Place du Portage, Phase III**  
**Core OA1/Noyau OA1**  
**Gatineau**  
**Quebec**  
**K1A 0S5**  
**Bid Fax: (819) 997-9776**

## **SOLICITATION AMENDMENT**

## **MODIFICATION DE L'INVITATION**

The referenced document is hereby revised; unless otherwise indicated, all other terms and conditions of the Solicitation remain the same.

Ce document est par la présente révisé; sauf indication contraire, les modalités de l'invitation demeurent les mêmes.

### **Comments - Commentaires**

**Vendor/Firm Name and Address**  
**Raison sociale et adresse du**  
**fournisseur/de l'entrepreneur**

**Issuing Office - Bureau de distribution**  
Business Operations Support Systems  
Division/Systèmes de soutien des activités  
opérationnelles  
Portage III 12C1 - 42  
11 Laurier Street/11, rue Laurier  
Gatineau  
Quebec  
K1A 0S5

<b>Title - Sujet</b> document Imaging for Protected B do	
<b>Solicitation No. - N° de l'invitation</b> EN929-142184/A	<b>Amendment No. - N° modif.</b> 008
<b>Client Reference No. - N° de référence du client</b> 20142184	<b>Date</b> 2014-10-30
<b>GETS Reference No. - N° de référence de SEAG</b> PW-\$\$XS-003-28046	
<b>File No. - N° de dossier</b> 003xs.EN929-142184	<b>CCC No./N° CCC - FMS No./N° VME</b>
<b>Solicitation Closes - L'invitation prend fin</b> <b>at - à 02:00 PM</b> <b>on - le 2014-11-06</b>	
<b>Time Zone</b> <b>Fuseau horaire</b> Eastern Standard Time EST	
<b>F.O.B. - F.A.B.</b> <b>Plant-Usine:</b> <input type="checkbox"/> <b>Destination:</b> <input type="checkbox"/> <b>Other-Autre:</b> <input type="checkbox"/>	
<b>Address Enquiries to: - Adresser toutes questions à:</b> Smith, Kenneth	<b>Buyer Id - Id de l'acheteur</b> 003xs
<b>Telephone No. - N° de téléphone</b> (819) 956-3335 ( )	<b>FAX No. - N° de FAX</b> (819) 956-8303
<b>Destination - of Goods, Services, and Construction:</b> <b>Destination - des biens, services et construction:</b>	

**Instructions: See Herein**

**Instructions: Voir aux présentes**

<b>Delivery Required - Livraison exigée</b>	<b>Delivery Offered - Livraison proposée</b>
<b>Vendor/Firm Name and Address</b> <b>Raison sociale et adresse du fournisseur/de l'entrepreneur</b>	
<b>Telephone No. - N° de téléphone</b> <b>Facsimile No. - N° de télécopieur</b>	
<b>Name and title of person authorized to sign on behalf of Vendor/Firm</b> <b>(type or print)</b> <b>Nom et titre de la personne autorisée à signer au nom du fournisseur/</b> <b>de l'entrepreneur (taper ou écrire en caractères d'imprimerie)</b>	
<b>Signature</b>	<b>Date</b>

## Part A: Industry Day Attendees

Below is a list of attendees, both in person and via WebEx, for the Document Imaging Services Industry Day held on Tuesday October 21, 2014. Please also see the attached documents for the decks presented at the Industry Day.

<u>Name</u>	<u>Company</u>
Pierre Vachon	AMS Imaging Inc.
Eric Beauregard	AMS Imaging Inc.
Robert McFarlane	Backfile Document Scanning Ottawa
Craig Matuzewski	BancTec (Canada) Inc.
Darin Davis	Data Repro Com Ltd.
Barry Braun	Data Repro Com Ltd.
Mary Devenny	General Dynamics Informational Technology Canada Ltd.
Andy Dunand	General Dynamics Informational Technology Canada Ltd.
Sandy Colter	General Dynamics Informational Technology Canada Ltd.
Russ Ferrier	Pathfinder Systems Design
Patrick Kealey	Xerox Global Services
Karen Arnold	Xerox Global Services
Christopher Kyte	Xerox Global Services
Ryan Gustafson	Xerox Global Services
Omar Choudhry	YP-IT
Scott Kimura	Hybrid Document Systems Inc.
Vivilyn Peterson	Critical Control Solutions Inc.
Michelle Brown	Critical Control Solutions Inc.
Raoul Bain	Bronson Consulting
Martin McGarry	Bronson Consulting
Sid Soil	Docudavit Solutions Inc.
Ron Webb	Source HOV

**Part B:** Below is a list of questions and answers from the Document Imaging Services Industry Day.

**Question #1:** Are each of the three processes being done by region?

**Answer #1:** PWGSC is seeking feedback from the industry as to how best to address the national coverage. We are currently looking at national coverage within each of the three processes, but that does not mean that each vendor must address all regions.

**Question #2:** What is the rational between the breakdown of contracts to the vendors? E.g. 60-40 or 50-30-20.

**Answer #2:** The breakdown may change and will be finalized and published in the RFP depending on the number of vendors identified as necessary within each process. We are trying to allocate business to the winning Bidders (two or three vendors in each stream) appropriately based on ranking.

**Question #3:** Why are we restricting it to two or three companies?

**Answer #3:** When we have more current information as to prospective volumes, we will determine the appropriate number of vendors in each stream. In addition, responses from the industry to this RFI process will help refine our direction.

**Question #4:** What would be the minimum volume of a job that would be subbed out?

**Answer #4:** We don't anticipate any minimum levels, with the exception of the area for unclassified documents for which there is already a standing offer in existence up to \$ 100,000. While the Standing Offer in place is in existence, it is expected that it would be used for orders < \$ 100,000.

**Question #5:** The cost is currently per page. Are we going to continue to look at the pricing that way or are we open to a per diem rate?

**Answer #5:** We are looking for guidance from the industry, however, price per page is currently what we are looking for. Our clients prefer the simplicity of pricing, as do we. We are not supportive of a complex pricing mechanism that is difficult to review and verify.

**Question #6:** Are departments required to use the standing offers that we put into place or are they still able to choose to use other resources?

**Answer #6:** Note that the current procurement initiative is not a Standing Offer. We will put in place contracts with successful Bidders.

**Question #7:** What work has been done understanding what other companies are available that can provide managed services for PWGSC? Has it been looked at as a model?

**Answer #7:** That is the type of input we are hoping to get from the industry and we will be reviewing all responses from the RFI to determine industry best practices. At this time, we are

---

primarily focused on delivery of digital images rather than looking for managed services that deliver broad processes including images. The latter has challenges related to information management outside of government firewalls.

**Question #8:** For protected B, will the fiscal year still be the drop dead date?

**Answer #8:** No. The contracts will be multi-year, and deliverables may straddle fiscal years. There is a difference between the financial requirements and delivery requirements. We will still require that work in progress performed up to March 31<sup>st</sup> of any particular year be billed on or shortly after March 31<sup>st</sup>.

**Question #9:** Is the intent that Matane and Winnipeg be part of the managed services?

**Answer #9:** The managed services of the Center of Expertise will direct clients to the appropriate contracted or internal document imaging provider.

**Question #10:** Over what period of time do we see the 14 billion images being done?

**Answer #10:** The volume, based on a limited 2007 study, is 1 billion, not 14 billion. It depends on a number of factors including number of vendors, vendor capacity, pricing and funding.

**Question #11:** How do you determine what will go to private industry or be done in house?

**Answer #11:** The majority will be done by the private industry but the internal process will be used where it makes business sense and where we have capacity.

**Question #12:** Is the intent to ramp up or ramp down the services currently in Matane and Winnipeg?

**Answer #12:** There are currently no plans to ramp up or ramp down services provided in Matane and Winnipeg.

**Question #13:** Out of the billion pages, do you know what kind of timeframe that will the targeted pages be imaged?

**Answer #13:** Not at this time.

**Question # 14:** How are the documents currently getting to Matane and Winnipeg? Are they being trucked?

**Answer #14:** There are three ways: some arrives by regular mail; some arrive via courier; in the case of a large collection requiring special handling, they arrive in transport trucks.

**Question #15:** Would they be private carriers?

**Answer #15:** Yes, there are already contracts in place for government shipping.

---

**Question #16:** Can service providers take advantage of our current private carriers?

**Answer #16:** There is no provision for private industry to use the current Standing Offer for courier and transport services.

**Question #17:** Are the transportation costs for Winnipeg and Matane imaging absorbed by the department or by PWGSC?

**Answer #17:** Generally they are paid by the client department, either as a project cost, or by the client directly.

**Question #18:** Based on the comments has PWGSC looking at changing the closing date?

**Answer #18:** Closing date been moved to November 6<sup>th</sup>.

**Question #19:** Are there going to be one or multiple RFPs over the next couple of years?

**Answer #19:** Intent is one RFP with multiple contracts based on the document types.

**Question #20:** Is PWGSC looking for a one price fits all, or will there be opportunities to be able to quote on jobs based on departments specific requirements (eg: project)?

**Answer #20:** No. Refer to Annex B. Our starting point is a simplified bundled price. From there, additional services may be added or deducted. The pricing scheme will be applied to each of the jobs required; there will be no quoting on department specific requirements, except for unique or specialized requirements, such as mobile location imaging.

**Question #21:** Do we know how long the contract term will be?

**Answer #21:** The information is on page 13 of 132 in the RFI - "The intention is to award a series of contracts for two years, plus two one-year irrevocable options each..."

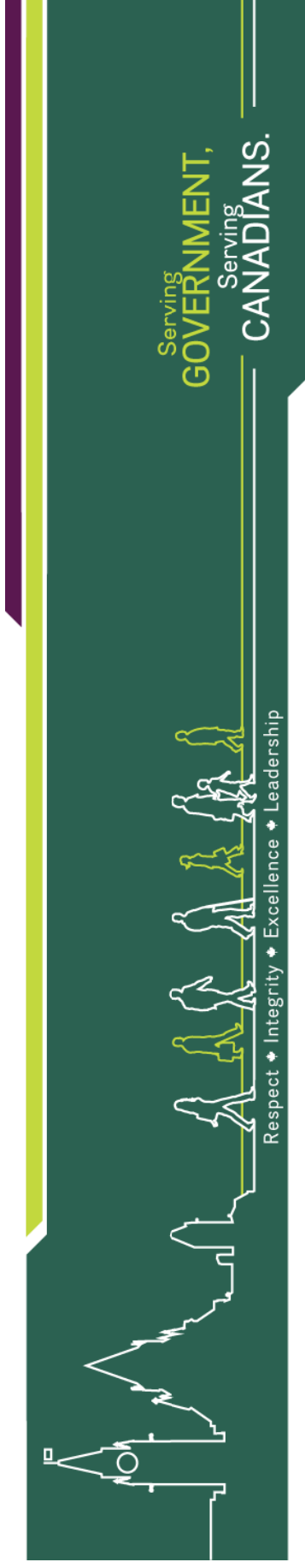
**Question #22:** What is the standard regarding sub-contractors?

**Answer #22:** Sub-contracting is allowed as long as it is approved by PWGSC.

**Question #23:** Are we including sub-contractors and partners as the same thing?

**Answer #23:** Assuming that "partner" would be a company that is part of a joint venture arrangement, then no they are not the same as sub-contractors. If a contract is awarded to a joint venture, all members of the joint venture will be jointly and severally or solitarily liable for the performance of any resulting contract. In the case of a sub-contractor, the Prime Contractor is still fully liable for the performance of any resulting contract.

**All Other Terms and Conditions Remain Unchanged.**



# PWGSC Document Imaging Services

## Multi-Channel Service Delivery

October 2014



# Welcome !

## Background - PWGSC Document Imaging Services

- More than 10 years providing enterprise level document imaging services.
- Delivers six (6) services on full cost recovery basis – Core, Basic, Enhanced, Comprehensive, Archival and Secret.
- Supports departments and agencies in their modernization efforts to:
  - achieve lower costs of operation,
  - improve citizen service
  - facilitate access to corporate information for improved decision making;
- Complies with CGSB standards for documentary evidence, as it has the controls to establish the authenticity and to enforce the integrity of the scanned images;





## Background - PWGSC Document Imaging Services

- PWGSC clients like
  - Knowledgeable resources
  - Simple pricing model
  - Security for their records
  - High quality
  - Ability to archive and provide network access to documents



## Background - PWGSC Document Imaging Services

### Status today:

- Demand is exceeding PWGSC ability to supply;
- Value driven decisions require cost effective solutions;
- Expert knowledge required to ensure all government needs are met with respect to:
  - Assessment and articulation of needs.
  - Compliance with privacy and security requirements;
  - Forward view of use of documents and IM integration;
- A business case for a multi-channel service delivery model using the private sector was approved in early 2014.





# Current Business Model



Public Works and  
Government Services  
Canada

Travaux publics et  
Services gouvernementaux  
Canada

# Current business model

- State of the art technology
- Full range of services
- Bundled pricing;
- Strong client engagement
  - Assigned project manager responsible to work with client to identify business requirements, and liaise with Production as required
- Quality control
- Secure access
- Full compliance with government requirements
- Full cost recovery
- Timely billing



## Drivers for a new model

- The digitization of paper documents has grown to become an important aspect of information management within the Government of Canada;
- As of 2017, Library and Archive Canada (LAC) will only accept digital records.
  - Departments have to convert paper-based documents of enduring value to digital images, and documents of business value currently in storage with LAC will be returned to departments;
- Departments also strive to improve information management to:
  - Support decision making,
  - reduce the costs of paper storage,
  - modernize workflow to improve service levels,
  - achieve processing efficiencies and to reduce operating costs,
  - reduce storage space;
- Departments turn to document imaging for a solution.



# Document Imaging Challenges

## Demand and Budget

- Based on 2007 benchmark study: 1 billion pages/images require digitization
- Results of a 2014 survey of 40 key departments and agencies are being analyzed; preliminary results are supportive of the benchmark study volumes.
- Departments and agencies are assessing imaging options.

## Capacity:

- 2014-15 PWGSC: Close to 35 million pages imaged

## Quality and Compliance

- Data for Protected B and Secret cannot reside, pass through, or be accessed in any way outside of Canada
- Privacy, security and information management compliance are required
- Must consistently meet needs for business and retention purposes
- Departments use different means to obtain document imaging services with variable quality, cost, standards, etc. while others do not know how and where to start;



# Document Imaging Objective

- Federal Government will take a coordinated approach to imaging to ensure
  - Sufficient capacity to meet demand;
  - Best value for money; and
  - Quality and compliance to required standard and policies (information management, security, privacy, etc).



# New Business Model



# PWGSC Multi-channel service delivery model

1. Center of Expertise providing managed services and using the private sector
2. Direct service fulfillment by PWGSC for some services
  - integrated with internal business systems and processes
  - specific security and privacy requirements.



# Managed Service Offering

## Program management

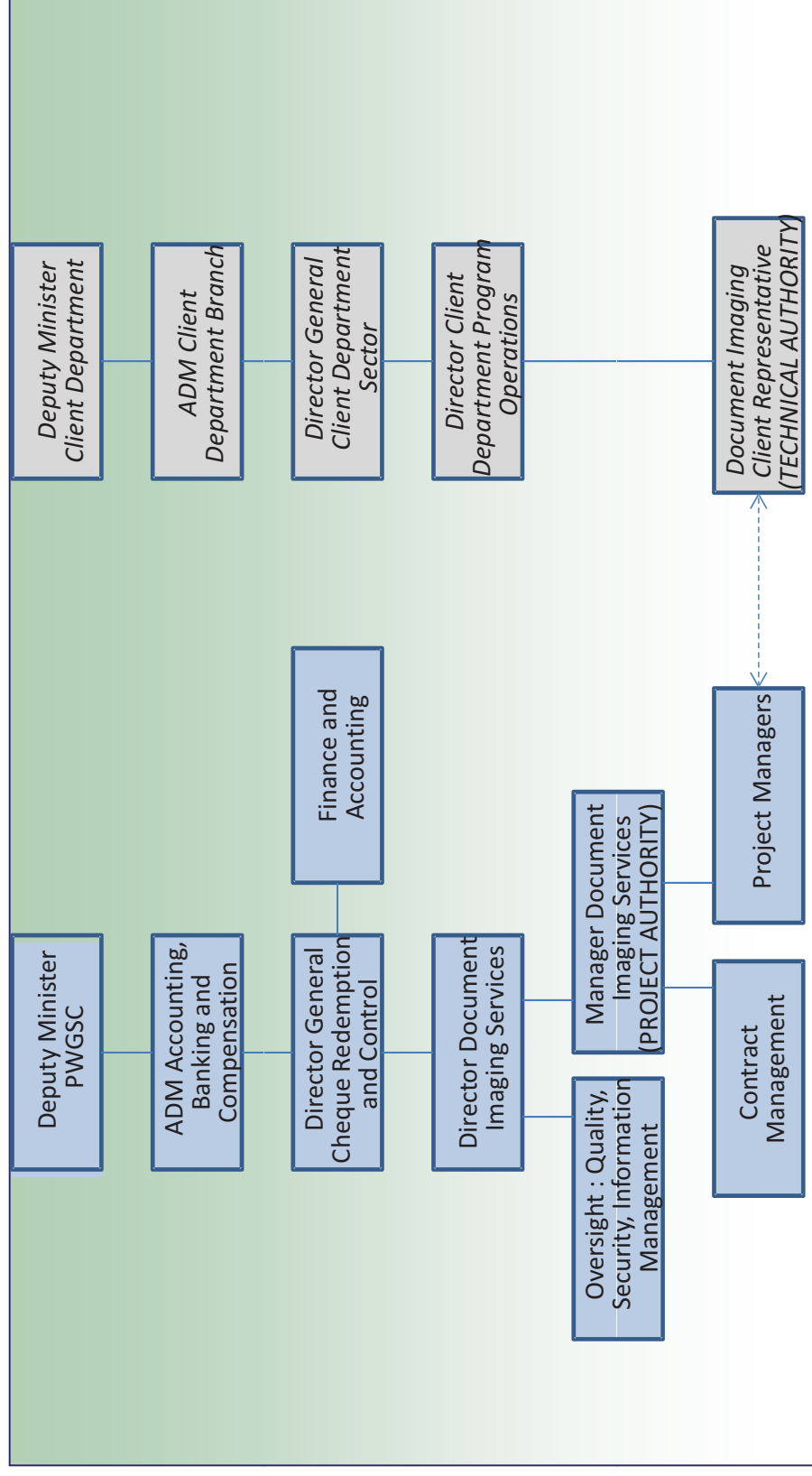
- Private sector document imaging services
- Private sector CGSB compliance audits
- Quality, privacy and security oversight program
  - Regular 3<sup>rd</sup> party reviews
- First adopter encouragement

## Client services

- Assigned project manager
- Needs analysis (workshops etc) including consideration of retention periods, future use, integration with IM systems
- Task Authorization preparation and management
- Payment processing



# Center of Expertise structure



# Capacity to meet demand

- Multi-vendor contracts ensure service availability
- Contract streams identified based on security requirements
- Survey underway to validate demand
- Ease of access for departments
  - MOU process
  - Requirements' identification through engaged PWGSC project managers
  - Barriers reduced with operational cost coverage.



# Best Value-for-money

- Competitive processes
- Timely access to services using Task Authorization contracts
  - Avoid 6 to 8 months of activities and costs for individual contracts;
  - Contracting requirements completed upfront,
  - Client department engagement through MOU processes
- Compliance with federal government's information management, security, and privacy policies;
- Obtain functional images (Departments sometimes lack expertise to obtain images that integrate into their business process and information systems resulting in unusable images);
- Leveraging expert knowledge



# Quality and Compliance

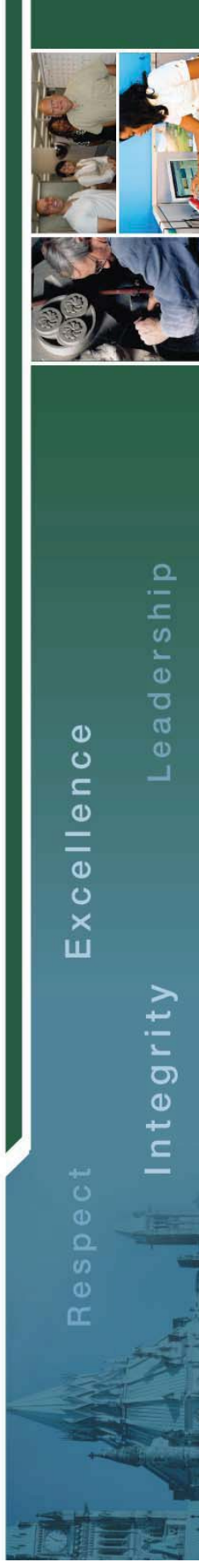
- High focus on requirements
  - Quality
  - Privacy
  - Security
  - Information Management
- Oversight by dedicated officer
- Regular reviews by contracted 3<sup>rd</sup> party



## Pre-requisites to moving forward

1. Completion of consultation of document imaging needs and analysis of responses
2. Presentation at and support from Public Service senior management committee
3. Staffing of Center of Expertise
4. Request for Proposal
5. Identification of successful bidders
6. Treasury Board submission for contracting approval





# Document Imaging Services Industry Day

## Procurement Process

Tuesday October 21, 2014



Public Works and  
Government Services  
Canada

Travaux publics et  
Services gouvernementaux  
Canada

Canada



# Background

Document Imaging Solutions Centre (DISC) of Cheque Redemption Control Directorate (CRCD) within Accounting, Banking and Compensation Branch (ABCB) of PWGSC has become a Subject Matter Expert in the area of Document Imaging.

Providing Document Imaging Services for several years to:

- All Branches of PWGSC
- Other Government Depts.



# Background

Increase in demand for document imaging services:

- Government interest in reducing paper document retention.
- Increasing acceptance of digital documents.
- Library and Archives Canada returning documents to departments.



# Background

This increased demand has resulted in PWGSC looking to contract some document imaging services to the private sector.



# Procurement Process

PWGSC is seeking Industry's input on best practices.

The biggest challenges that we see in doing this are:

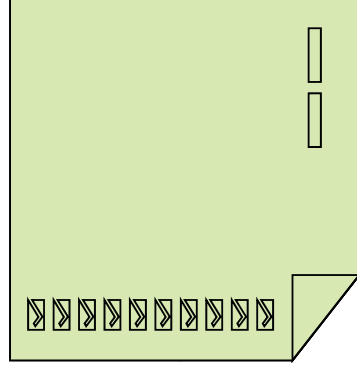
- Location – documents vs. vendor location
- Shipping – costs, security reqts. etc.
- Privacy
- Security
- Quality – standards, QA assurance etc.



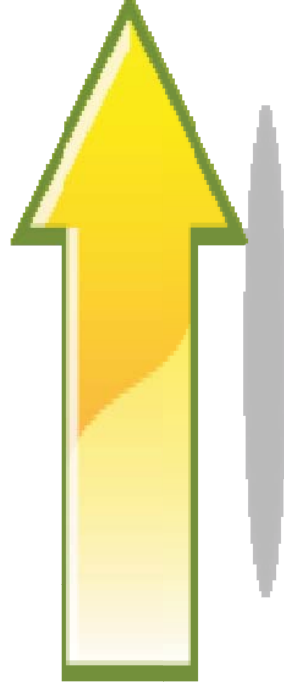
# Procurement Process

To this end we have put out to industry, through Buy and Sell, our draft documents to date in order to get feedback on these challenges and any other relevant feedback.

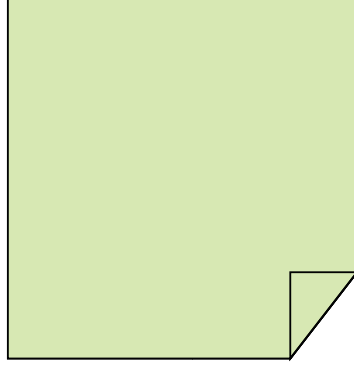
Draft



Industry Engagement



RFP



# Procurement Process

## Current Procurement Strategy:

- RFI with Draft Documents
- Industry Day
- Feedback analysis
- Revise Documents
- RFP



# Procurement Process

## Fairness Monitor

Independent 3<sup>rd</sup> party engaged to:

- observe the procurement process
- unbiased opinion on fairness, openness & transparency



# Procurement Process

RFP will be structured to allow Bidders to bid on any or all Series of contracts.

- Series 1 – Unclassified documents
- Series 2 - Protected B documents (including Protected B with Secret handling)
- Series 3 – Secret documents





# Procurement Process

## Selection Process:

- Highest Responsive Combined Rating
  - Technical Score – 60%
  - Financial Score – 40%
  - Combined Rating – Technical Score + Financial Score



# Procurement Process

Within each series:

- bid with highest combined rating is ranked first
- second highest combined rating is ranked second
- third highest combined rating is ranked third.



# Procurement Process

## Series 1 (unclassified documents):

### Two or three contracts awarded:

#### If Two contracts:

- 1<sup>st</sup> ranked compliant bid – 60% (+ or – 15%)
- 2<sup>nd</sup> ranked compliant bid – 40% (+ or – 15%)

#### If Three contracts:

- 1<sup>st</sup> ranked compliant bid – 50% (+ or – 10%)
- 2<sup>nd</sup> ranked compliant bid – 30% (+ or – 10%)
- 3<sup>rd</sup> ranked compliant bid – 20% (+ or – 10%)



# Procurement Process

## Series 2 (Protected B documents)

Three contracts awarded:

- 1<sup>st</sup> ranked compliant bid – 50% (+ or – 10%)
- 2<sup>nd</sup> ranked compliant bid – 30% (+ or – 10%)
- 3<sup>rd</sup> ranked compliant bid – 20% (+ or – 10%)



# Procurement Process

## Series 3 (Secret documents)

Two contracts awarded:

- 1<sup>st</sup> ranked compliant bid – 60% (+ or – 15%)
- 2<sup>nd</sup> ranked compliant bid – 40% (+ or – 15%)



# Procurement Process

## Questions?



Public Works and  
Government Services  
Canada

Travaux publics et  
Services gouvernementaux  
Canada

Canada