

**MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager
DATE: September 1, 2015
SUBJECT: Thirty-Six Month Operating Lease of One Digital Production Color Copier/Printer – Inland Business Machines, Inc.

ACTION REQUESTED

1. Approve Blanket Purchase Order change order with Inland Business Systems, Inc of Sacramento, CA for a thirty-six month digital production color copier lease, in the amount of \$6,000, extending the time period from August 9, 2015 to September 30, 2015, and increasing the total to \$145,150. Funding is provided by Administrative Services in the FY 2015-16 Proposed Budget; and
2. Approve the award of competitive Bid No. 10475, to Inland Business Machines, Inc. of Sacramento, CA for a thirty-six month operating lease of one digital production color copier/printer, in the maximum amount of \$137,000 for the period of September 1, 2015 to August 31, 2018. Funding is provided by Administrative Services in the FY 2015-16 Proposed Budget.

BACKGROUND

The Department of Administrative Services, Central Services Division provides reprographic, graphic design services to all county departments, as well as other government agencies, and non-profit organizations. The division supports approximately 400 print jobs, 3,350 quick copy orders, and 1,350 graphic design requests annually. Central Services requires a large production color copier/printer to support its operations. The division uses this machine for commercial color production for County departments, and charges the departments for these printing services on a cost per copy basis.

On July 10, 2012, your Board approved the award of competitive Bid No. 10191 to Inland Business Systems, Inc. of Sacramento, CA for a thirty-six month operating lease of one digital production color copier. The department has determined that the current BPO amount will not be sufficient to pay for leasing services during the contract transition period. It is estimated that an additional \$6,000, increasing the total to \$145,150, will need to be added to the BPO to support the department's leasing requirements through September 30, 2015. The requested increase exceeds the Purchasing Manager's signature authority.

The Central Services Division requested the assistance of the Procurement Services Division to develop Invitation for Bids (IFB) No. 10475 to solicit bids for a new thirty-six month operating lease of a digital production color copier/printer. Forty-five firms were notified of the IFB, thirteen firms downloaded the bid documents online, and formal responses were received from Inland Business Machines, Inc. and Scott Technology Group of Sacramento, CA.

To determine the most responsive and responsible bidder, points were awarded based on bidders' cost, the click charge for 11x17 copies, and demonstrated experience. Inland Business Machines is the most responsive and responsible bidder.

The County will pay Inland Business Systems \$0.089 per color copy for the first 33,000 copies each month and \$0.0135 for the first 3,500 black and white copies per month. Additional monthly print volume will be billed at \$0.039 per color copy and \$0.0039 per black and white copy. This new pricing is approximately 11

percent less than the expiring contract price. Based on Inland Business Systems' responsiveness to specifications, staff recommends approval to award the resulting blanket purchase order (BPO) to Inland Business Machines.

Therefore, your Board's approval is required to process a change order to increase the existing BPO in the amount of \$6,000 for a revised maximum amount of \$145,150 and to proceed with the award of a new BPO in the maximum amount of \$137,000.

FISCAL IMPACT

The cost of the thirty-six month operating lease is \$137,000 and is budgeted in the Central Services' FY 2015-16 Proposed Budget and will be included in subsequent fiscal year requested budgets. Central Services is an Internal Service Fund that charges county departments for the costs of services.

cc: Leslie Blagg, Central Services Manager
Melissa Nunnink, Administrative & Fiscal Operations Manager – Administrative Services