

MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: March 25, 2008

SUBJECT: Ratify the Cancellation of Competitive Bid No. 9734 and Approve the Award of Competitive Bid No. 9775 to IKON Office Solutions for a Five-Year Operating Lease of One Digital Production Copier-Printer in the Maximum Amount of \$707,850.00

ACTION REQUESTED

Ratify the cancellation of competitive Bid No. 9734 and approve the award of competitive Bid No. 9775 to IKON Office Solutions of Sacramento for a five-year operating lease of one digital production copier-printer in the maximum amount of \$707,850.00, and authorize the Purchasing Manager to sign the resulting Blanket Purchase Order (BPO) and lease contract.

BACKGROUND

The Department of Administrative Services, Central Services Division's current five-year production copier-printer lease with Xerox Corporation expires on April 30, 2008. Central Services uses this machine for commercial black and white production for County departments, and charges the departments for these printing services.

The Procurement Services Division, on behalf of Central Services, solicited bids for a five year operating lease of a new digital production copier-printer. Nine vendors were notified by fax of Invitation for Bid (IFB) No. 9734 which was also posted on the County website. After evaluating the bids, staff determined that the specifications exceeded actual requirements, driving the price up unnecessarily. Therefore, in accordance with the Purchasing Policy Manual, Paragraph 2.2(d), staff requests that your Board ratify the cancellation of IFB No. 9734.

The replacement IFB No. 9775 requested bids for a 5-year operating lease of a new commercial production, 135-page per minute, black and white copier-printer on an all-inclusive cost per copy basis. The Procurement Services Division posted IFB No. 9775 on the County Website and notified eleven registered vendors by mail. The IFB requested base pricing for 600,000 copies per month and overage pricing for any additional volume. The County received responsive bids from Eastman Kodak, IKON Office Solutions and Pro Office Technology. No registered Placer County local vendors responded to the solicitation.

IKON Office Solutions was the lowest priced responsive bidder. The County will pay IKON Office Solutions \$0.0129 per copy-print for the first 600,000 copies each month. Additional monthly print volume will be billed at \$.0033 per copy-print. This new pricing is 15 percent less than the expiring contract price. Based on their responsiveness to specifications coupled with lowest price, staff recommends approval to award the resulting BPO to IKON Office Solutions.

FISCAL IMPACT

The resulting five-year BPO with IKON Office Solutions will total \$707,850.00 for the period of May 1, 2008 through April 30, 2013. The Department of Administrative Services' Fiscal Impact Statement is attached.

Attachment: Administrative Services Department Fiscal Impact Statement

cc: Sandy Hammock, Senior Administrative Services Officer
Leslie Blagg, Central Services Manager

FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors
FROM: Clark L. Moots, Director of Administrative Services Department
DATE: March 3, 2008
SUBJECT: **Fiscal Impact Statement**
BPO for Lease of Digital Production Copier/Printer from 5/1/08 to 4/30/13

Fiscal Impact Statement Examples

1. The department has sufficient funding

The Administrative Services Department Central Services Division has budgeted appropriately for this BPO and funding is available in the FY2007-2008 department budget. Since the Central Services Division is an Internal Service Fund, County departments are charged back for their services and these charges are any anticipated costs incurred from this BPO.