



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend Change Order #6 to Contract 11-117, Multi-Functional Copiers and Award RFP 15-181, Multi-Functional Copiers – Cost-Per-Copy

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:

1. Approve the Award of Change Order #6 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy to Canon Solutions America for a 31-day extension to October 31, 2015 for an amount not to exceed \$3,180.85.
 2. Approve the Award of RFP 15-181, Multi-Functional Copiers – Cost-Per-Copy - Phase I, to Canon Solutions America for an amount of \$207,271.40, with a 2% contingency, for a five year contract period.
-

BOARD/COMMISSION REVIEW:

N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
8/18/15	I 11	Tabled
8/27/15	A 1	MM

DEPARTMENT: Information Technology / Reprographics
Finance Department

SUBMITTED BY: Pam LaFeber, City Clerk, Director of IT
Rachel Mayer, Finance Director

FISCAL IMPACT:

Budgeted Amount: *\$107,500.00 (FY16)

Budgeted Account: 010-1331-417.30-29

*The budgeted amount includes Phases 1-5 of the CPC program for FY16.

BACKGROUND:

The recommendation to enter into a new copier leasing contract with Canon was tabled at the August 18, 2015 City Council meeting in order for staff to respond to City Council questions regarding this procurement. A memorandum responding to the questions was provided to the City Council with the 8/27/15 Manager's Memorandum. In addition to recommending the award of RFP 15-181, the agenda item also includes a recommendation to extend the existing copier leasing contract (11-117) for an additional 31 days to October 31, 2015 in order to allow the vendor the time required to transition to the new contract once it has been awarded.

The Reprographics Division of the Information Technology Department manages the selection and placement of multi-functional copiers. For the past thirteen years, the City has administered a Cost-per-Copy (CPC) Program. The CPC Program includes the placement of new equipment, maintenance, training, parts and supplies. Similar to a rental program, the City is buying copies not copiers.

This RFP award and the entire CPC Program will be implemented in four phases. This award is for the Phase I. The phases and the number of corresponding replacements are as follows:

- Phase I (2015): 24 copiers (including the additional Mayor's Office);

Specifically, this phase consists of replacing 22 machines and retaining two current machines. The following departments are included in the Phase I replacement schedule: CMO, Legal, Mayor's Office, Department of Public Works, TED, Police, Fire, DPU-E, DPU-W, Naper Settlement and Reprographics. The Mayor's Office machine was recently placed under a short-term rental. Since the unit is current technology, staff was able to retain this copier under the new contract for the same five-year term.

The Reprographics production machine is also being retained due to the vendor's current inability to supply an equivalent, feature-rich, size-appropriate replacement at this time. Canon Solutions America (CSA) has agreed to cover this machine for an additional 36 months, which is when after-production parts availability and support concerns may arise. At that time, CSA's Service Organization will work with their manufacturing arm and inventory control to evaluate parts availability and steps moving forward. CSA has allocated a significant amount of funds to recondition the current device, which will occur shortly after contract approval, so to ensure the best experience for both the City and CSA's Service Team. Staff has been told that Canon is also working on a production replacement and may have another product available to fit the City's specifications at that time. Staff will return to Council to adjust the award, as necessary, based on new equipment availability or continued service of the current device.

- Phase II (2016): 13 copiers;
- Phase III (2017): 12 copiers; and
- Phase IV (2018), 9 copiers.

Assuming the copiers perform at an acceptable level, staff will return to Council for approval for change orders for each equipment replacement phase.

Furthermore, in order to align with organizational data security and the prevention of protected data loss, staff is requesting the purchase of hard drives from the nine machines equipped in the Phase I replacements. The cost of the purchase is included in the \$207,271.40.

The \$207,271.40 requested includes all five years for Phase I:

- Year One - \$43,001.48 (includes hard drive purchase)
- Years Two-Five - \$41,067.48 per year

The criteria for the replacement of these copiers includes: age, useful life and technological obsolescence as well as fulfillment of the prior contract. In addition, the City will save \$40,978.40 (based on current monthly usage) on the first phase of 24 replacement copiers over the five-year contract period compared to the current CPC Programs in place. This is in addition to acquiring the latest technology on a more robust fleet of equipment.

DISCUSSION:

NOTIFICATION AND RESPONSE:

Notices Sent:	124
Plan-holders:	29
RFP's Received:	6

An RFP was released for 57 CPC multi-functional copiers (An additional placement arose for Phase I, after the release of the RFP, bringing the total to 58 machines) with six companies responding. An extensive review of the RFP responses resulted in a short-list of two firms. Site visits to the two short-listed firms was required in order to view and test the equipment and insure the proposed placements met the specifications of the RFP. The firms were then re-scored, based on the site visits, and both firms pricing proposals then opened for final evaluation:

FIRM	PROPOSED COST	SCORE	ADJUSTED COST
Canon Solutions America	\$444,682.24	89	\$499,642.97
Ricoh	\$854,286.36	72	\$1,186,508.83

The Reprographics Department is also requesting a 2% contingency, to the contract, to allow for overages in the number of copies made. Staff anticipates increases, throughout the contract, as volumes fluctuate monthly. This contingency would cover those additional costs.

The contract term is November 1, 2015 thru October 31, 2020.

RECOMMENDATION:

1. Approve the Award of Change Order #6 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy to Canon Solutions America for a 31-day extension to October 31, 2015 for an amount not to exceed \$3,180.85.
2. Approve the Award of RFP 15-181, Multi-Functional Copiers – Cost-Per-Copy - Phase I, to Canon Solutions America for an amount of \$207,271.40, with a 2% contingency, for a five year contract period.

ATTACHMENTS:

1. Attachment-MM 8/27/15