

**CITY OF NAPERVILLE
AWARD OF CHANGE ORDER #7
CONTRACT NUMBER 11-117**

PO - 150520
Req - 81124

Requesting Department: Information Technology/Reprographics
Procurement Name: Multi-Functional Copiers – Cost-Per-Copy
Recommended Vendor: Canon Solutions America
Amount of Award: \$5,129.12
Contingency Amount: 3% 5%
 CIP #

Account Number	Fund Description	Total Budget Amount	Available Funds
010-1331-417.30-29	General - Reprographics	\$110,020.00	\$25,353.77

This account includes multiple projects and line items; \$107,500 is budgeted for this line item.

DESCRIPTION

On September 15, 2015, the City Council approved the extension of the current copier contract with Canon to October 31, 2015 to allow Canon time to transition from the old contract to the new contract. It is now apparent that the City and Canon were too aggressive in estimating that the transition could be completed in this timeframe. A 25-day extension is requested in order to allow the vendor to complete the transition, which also results in a \$3,129.12 increase to the contract amount to pay for the lease and maintenance of the copiers on Contract 11-117.

An additional \$2,000 increase is also requested for a copier removal fee. During the transition conversations, Canon informed the City that a fee would be charged to remove the old copiers when the new copiers are installed. Contract 11-117 did not specifically call out the removal of the copiers as part of the contract requirements. As such, the City must pay the fee in order to remove the copiers. The fee was originally \$200 per copier, but staff was able to negotiate the price down to \$100, resulting in a total fee of \$2,000 (20 copiers * \$100). Canon's fee is less than the cost the City would pay if we had to remove the copiers, so we are recommending approval of the \$2,000 copier removal fee. The new contract (15-181), approved by the City Council on September 15, 2015, includes language stating that the removal fee is included in the lease of the copiers so this charge will not be assessed at the end of the next contract.

The total cost of the change order for the extension to the contract and the removal fees is \$5,129.12.

ATTACHMENTS

1 Prior Award

RECOMMENDATION

Approve the Award of Change Order #7 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, to Canon Solutions America for a 25-day extension to November 25, 2015 for an amount not to exceed \$5,129.12.

SUBMITTED BY:

Pam LaFeber *lf* 11/19/15
Pam LaFeber, PhD Date
City Clerk/Director of
Information Technology

Rachel Mayer 11/25/15
Rachel Mayer Date
Chief Procurement Officer
KAS
11/19/15

APPROVED BY:

Doug A. Krieger 12/2/15
Douglas A. Krieger Date
City Manager

PRIOR ACTION



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.

15-181, Copiers
September 15, 2015
Page 3 of 4

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.

15-181, Copiers
September 15, 2015
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ATTACHMENTS:

1. Attachment-MM 8/27/15

PRIOR ACTION

**CITY OF NAPERVILLE
MEMORANDUM**

DATE: August 26, 2015

TO: Mayor and City Council
Doug Krieger, City Manager

THROUGH: Pam LaFeber, Director City Clerk/Information Technology

FROM: Lauren Fessler, IT Customer Support Manager
Steve Recek, Reprographics Supervisor

SUBJECT: Multi-function Copiers RFP (August 18 - Agenda Item I11) Follow-up Information

PURPOSE:

To provide further information regarding the August 18 tabled multi-function copiers agenda item.

BACKGROUND:

On August 18, 2015, City Council tabled the Multi-function Copiers RFP (Agenda Item I11) and requested additional information in order to direct staff to either replace or extend the current equipment contract.

DISCUSSION:

Since 2008, IT and Reprographics have eliminated 30 standalone printers (25%) and 27 standalone fax machines (65%) from the City's supply. Removing high maintenance, individual, single-function print, fax, and scan devices has been successfully implemented; and further consolidation and elimination of these devices is planned over the next several years.

By replacing the various single-function machines with multi-function equipment, the departments have one source that can perform all copy, print, fax, and scan operations. Placing multi-function equipment in the departments results in tangible savings because the need for multi-device training, separate maintenance agreements, a variety of supplies, and various billing cycles are eliminated. Also, consistent power consumption is realized across the City. Currently, 49 of the 55 units in place are multi-functional devices.

Moving to a paperless environment is an ongoing initiative for IT and Reprographics. Staff is committed to continually seeking opportunities to reach this goal. For example, the multi-function machines in place have scan capability which eliminates the need to distribute hard copies or to print a copy simply to scan it at another machine. In addition to the scan feature, the user mailbox component allows employees to hold jobs in the print queue until all edits have been made further eliminating unnecessary printing and paper waste. Lastly, Reprographics is considering a policy to standardize print jobs as two-sided to further reduce paper consumption.

*Multi-function Copiers RFP Follow-up Information
August 26, 2015
Page 2 of 2*

As a result of these efforts, in the past year, the City made 456,153 fewer copies (4,203,132 total) than the previous year. This includes the Reprographics machines which produce the bulk of the City's copy needs for projects such as the *Connected* newsletter which is mailed with the utility bills and totals 50,000 pieces. This is nearly a 10% decrease in volume. Furthermore, by producing this job in-house, the City realizes an annual savings of \$4,440.00.

With the approval of the cost-per-copy recommendation, the City will see a cost savings of \$8,104.92 in the first year as a result of acquiring the latest technology and replacing machines due to age, useful life and technological obsolescence which will increase maintenance costs.

Due to the extended period of time required for examination and approval of this item, staff will be requesting another thirty-day contract extension to Phase I. This extension will give the awarded vendor adequate time to transition to the new equipment and run through October 31, 2015 for an amount of \$3,180.85. Phase I replacements include the City Manager's Office, 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.

A recommendation to award the new contract and extend the current contract an additional month to allow for transition time between contracts will be presented to the City Council at the September 15, 2015 meeting.

RECOMMENDATION:

Distribute this memorandum to the City Council through the Manager's Memorandum.

ATTACHMENT:

1. Multi-function Copier RFP August 18 City Council Agenda Item



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend the Award of RFP 15-181, Multi-Functional Copiers – Cost-Per-Copy

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:

Approve the Award of RFP 15-181, Multi-Functional Copiers – Cost-Per-Copy - Phase I, to Canon Solutions America for an amount of \$207,274.40, with a 2% contingency, for a five year contract period, and a 30-day extension to October 31, 2015 for an amount not to exceed \$3,180.85.

BOARD/COMMISSION REVIEW:

N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
8/18/15	I 11	Tabled

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 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

15-181, Copiers
September 15, 2015
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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

ATTACHMENT 1

15-181, Copiers
September 15, 2015
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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 October 1, 2015 thru September 30, 2020.

RECOMMENDATION:

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, and a 90-day extension to October 31, 2015 for an amount not to exceed \$3,180.85.

ATTACHMENTS:

N/A

PREVIOUS PROPOSAL



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Approve the Award of Change Order #5 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy.

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:
 Approve the Award of Change Order #5 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, to Canon Solutions America for an additional 50 days and a not to exceed amount of \$6,361.70.

BOARD/COMMISSION REVIEW:
 N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
03/17/15	I5	Change Order #4
03/4/14	I7	Change Order #3
04/02/13	I7	Change Order #2
03/20/12	I7	Change Order #1
03/15/11	I5	Original Award

DEPARTMENT: Information Technology
 Department of Finance

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

FISCAL IMPACT:
 Budgeted Account: 010-1331-417.30-29
 Budgeted Amount: \$107,500.00 (FY16)

Change Order #5 to Contract 11-117, Phase I

July 21, 2015

Page 2 of 2

BACKGROUND:

The Reprographics Division of the Information Technology Department manages the selection and placement of multi-functional copiers. For the past twelve years the City has administered a Cost-Per-Copy program (CPC). 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.

DISCUSSION:

Staff began a new RFP for Phase 1 replacements. The copier market has changed significantly since the last RFP in 2011, creating a longer time frame for the RFP process. During the proposal review process, staff required additional information from the proposers which added time to the process to shortlist firms. Staff also made site visits to the two shortlisted firms to evaluate the equipment proposed. Coordination of the site visits required additional unplanned time.

Staff would like to extend the current lease for Phase I for fifty additional days allowing staff additional time to fully evaluate the copiers proposed from this RFP. This will extend the term to September 30, 2015 and will allow enough time to make the transition to the new copiers. Staff anticipates bringing an award recommendation for the new contract to City Council on August 18, 2015.

RECOMMENDATION:

Approve the Award of Change Order #5 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, to Canon Solutions America for an additional 50 days and a not to exceed amount of \$6,361.70.

ATTACHMENTS:

1. Prior Awards

PRIOR ACTION



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Approve the Award of Change Order #4 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase I

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:
 Approve the Award of Change Order #4 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase I, to Canon Solutions America for an additional 60 days and a not to exceed amount of \$6,361.70.

BOARD/COMMISSION REVIEW:
 N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
3/4/2014	I7	Change Order #3
04/02/13	I7	Change Order #2
03/20/12	I7	Change Order #1
03/15/11	I5	Original Award

DEPARTMENT: Information Technology
 Procurement Services Team

SUBMITTED BY: Rachel Mayer, Chief Procurement Officer

FISCAL IMPACT:

Budgeted Account: 010-1331-417.30-29
 Budgeted Amount: \$107,500.00 (FY16) Pending Budget Approval

*Change Order #4 to Contract 11-117, Phase I
March 17, 2015
Page 2 of 2*

BACKGROUND:

The Reprographics Division of the Information Technology Department manages the selection and placement of multi-functional copiers. For the past twelve years the City has administered a Cost-Per-Copy program (CPC). 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.

DISCUSSION:

Staff began a new RFP for Phase 1 replacements. The copier market has changed significantly since the last RFP in 2011, creating a longer time frame for the RFP process. Staff would like to extend the current lease for Phase I for two additional months allowing staff time to fully evaluate the copiers proposed from this RFP. This will extend the term to August 11, 2015. This will also allow for enough time to make the transition to new copiers.

RECOMMENDATION:

Approve the Award of Change Order #4 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase I, to Canon Solutions America for an additional 60 days and a not to exceed amount of \$6,361.70.

ATTACHMENTS:

1. Prior Awards
2. Vendor Extension Letter

PRIOR ACTION



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Approve the Award of Change Order #3 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase IV

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:

Approve the Award of Change Order #3 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase IV, to Canon Solutions America for an amount of \$25,938.24 for a four year contract period or \$6,484.56 per year, plus a 3% contingency.

BOARD/COMMISSION REVIEW:

N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
04/02/13	17	Change Order #2
03/20/12	17	Change Order #1
03/15/11	15	Original Award

DEPARTMENT: Information Technology
Procurement Services Team

SUBMITTED BY: Michael E. Bevis, Chief Procurement Officer

FISCAL IMPACT:

Budgeted Account: 010-1331-417.30-29
Budgeted Amount: \$107,500.00 (FY15) Pending Budget Approval

Contingency Percentages are based on a City Council directive that contracts under \$500,000 may receive a 5% contingency and that contracts in excess of \$500,000 may receive a 3% contingency.

Change Order #3 to Contract 11-117, Phase IV

March 4, 2014

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BACKGROUND:

The Reprographics Division of the Information Technology Department manages the selection and placement of multi-functional copiers. For the past twelve years the City has administered a Cost-Per-Copy program (CPC). 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. Phase IV consists of 9 machines that replace existing equipment in the following departments: Naper Settlement, NFD, TED, IT, NPD, DPU-W and DPU-E.

DISCUSSION:

This award is for the fourth of four total phases. Phases I, II and III were placed in 2011, 2012 and 2013 for 22, 13 and 12 copiers respectively. This contract is for Phase IV (2014). The addition of this fourth and final phase will bring the total number of multi-functional copiers to 56. Staff will begin a new Bid/RFP process this fall, in order to submit a recommendation to City Council for Phase 1 replacements in 2015.

RECOMMENDATION:

Approve the Award of Change Order #3 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase IV, to Canon Solutions America for an amount of \$25,938.24 for a four year contract period or \$6,484.56 per year, plus a 3% contingency.

ATTACHMENTS:

1. Change Order #2 (contains CO#1 and Original Award)

PRIOR ACTION



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Approve the Award of Change Order #2 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase III

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:

Approve the Award of Change Order #2 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase III, to Canon Solutions America for an amount of \$54,063.65 for a four year contract period or \$13,515.91 per year, plus a 3% contingency.

BOARD/COMMISSION REVIEW:

N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
03/15/11	I5	Original Award
03/20/12	I7	Change Order #1

DEPARTMENT: Information Technology
Procurement Services Team

SUBMITTED BY: Michael E. Bevis, Chief Procurement Officer

FISCAL IMPACT:

Budgeted Account: 010-1331-417.30-29

Budgeted Amount: \$111,000.00 (FY14) Pending Budget Approval

Contingency Percentages are based on a City Council directive that contracts under \$500,000 may receive a 5% contingency and that contracts in excess of \$500,000 may receive a 3% contingency.

*Change Order #2 to Contract 11-117, Phase II
April 2, 2013
Page 2 of 2*

BACKGROUND:

The Reprographics Division of the Information Technology Department manages the selection and placement of multi-functional copiers. For the past eleven years the City has administered a Cost-Per-Copy program (CPC). 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. Phase III consists of 12 machines that replace existing equipment in the following departments: Naper Settlement, NFD, Finance, NPD, DPW and DPU-E.

DISCUSSION:

This award is for the third phase of four total phases. Phases I and II were placed in 2011 and 2012 for 22 and 13 copiers respectively. This contract is for Phase III (2013). 12 Phase IV (2014) includes 9 copiers which totals 56 copiers for all four phases. Assuming acceptable performance, staff will return to City Council for approval, by change order, to add future copiers for the fourth and final additional replacement phase.

RECOMMENDATION:

Approve the award of Change Order #2 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase III, to Canon Solutions America for an amount of \$54,063.65 for a four year contract period or \$13,515.91 per year, plus a 3% contingency.

ATTACHMENTS:

1. Change Order #1 (contains Original Award)

PRIOR ACTION



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Approve Change Order #1 to Contract 11-117, Multi-Functional Copiers - Cost-Per-Copy, for Phase II

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:

Approve the award of Change Order #1 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase II, to Canon Business Solutions for an amount of \$116,049.60 for a four year contract period or \$29,012.40 per year, plus a 3% contingency.

BOARD/COMMISSION REVIEW:

N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
03/15/11	I5	Original Award

DEPARTMENT: Information Technology
Procurement Services Team

SUBMITTED BY: Michael E. Bevis, Chief Procurement Officer

FISCAL IMPACT:

Budgeted Account: 010-1331-417.30-29

Budgeted Amount: \$132,500.00 (FY12)

\$102,500.00 (FY13) Pending Budget Approval

Phase II - Total cost savings of \$63,630.72 over the four year contract period.

Contingency Percentages are based on a City Council directive that construction contracts under \$500,000 receive a 5% contingency and that construction contracts in excess of \$500,000 receive a 3% contingency.

Extension to Contract 11-117, Multi-Functional Copiers, (CPC) Phase II

March 20, 2012

Page 2 of 2

BACKGROUND:

The Reprographics Division of the Information Technology Department manages the selection and placement of multi-functional copiers. For the past ten years the City has administered a Cost-Per-Copy program (CPC). 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. Phase II consists of 13 machines for the following departments: DPU-W, NFD, DPU-E, NPD, TED, Purchasing, City Clerk, H/R, DPW and Reprographics.

DISCUSSION:

Due to an anticipated single unit reduction, the original copier count shown for Phase II was 12 machines. An evaluation of the work processes at the Naperville Fire Department has justified keeping an additional multi-functional copier to replace a fax machine and a printer thus making work processes and equipment maintenance more effective and efficient. The updated requested Phase II copier count is now 13 machines (see Attachment 2: Equipment List). Therefore the monthly volume will change from 126,672 to 127,172 copies. This award is only for the second phase of four total phases. Phase I was placed in 2011 for 22 copiers, this is Phase II (2012) 13 copiers, Phase III (2013) 12 copiers and Phase IV (2014) 9 copier for a total of 56 copiers for all four phases. Assuming acceptable performance, staff will return to City Council for approval, by change order, to add future copiers for each additional replacement phase.

RECOMMENDATION:

Approve the award of Change Order #1 to Contract 11-117, Multi-Functional Copiers – Cost-Per-Copy, for Phase II, to Canon Business Solutions for an amount of \$116,049.60 for a four year contract period or \$29,012.40 per year, plus a 3% contingency.

ATTACHMENTS:

1. Original Award
2. Equipment List



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend Award of Bid 11-117, Multi-Functional Copiers – Cost-Per-Copy and Approve Change Order #4 Sixty-Day Extension to Contract 07-158 Multi-Functional Copiers

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:

Approve the award of Bid 11-117, Multi-Functional Copiers – Cost-Per-Copy - Phase I, to Canon Business Solutions for an amount of \$151,670.88 for a four year contract period plus a 3% contingency and Approve Change Order #4, Sixty-Day Extension of Phase I for current contract 07-158 to IKON Office Solutions for an amount not to exceed \$9,581.38.

BOARD/COMMISSION REVIEW:

N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
1-19-10	I-4	Phase IV
11-18-08	I-2	Phase III
10-2-07	I 3 d	Phase II
2-20-07	H 3 b	Original Award

DEPARTMENT: City Manager's Office / Reprographics
Procurement Services Team

SUBMITTED BY: Michael E. Bevis, Chief Procurement Officer

FISCAL IMPACT:

Budgeted Amount: \$133,768.00 (FY11)
\$132,500.00 (FY12) *Pending Budget Approval
Budgeted Account: 010-1331-417.30-29

Total cost savings of \$78,282.24 over the four year contract period.

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11-117, Copiers
 March 15, 2011
 Page 2 of 3

BACKGROUND:

The Reprographics Division of the City Manager’s Office manages the selection and placement of multi-functional copiers. For the past nine years the City has administered a Cost-Per-Copy program (CPC). 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 bid and the program, assuming acceptable performance by the contractor, will be implemented in four phases. This award is only for the first phase. The phases and the number of corresponding replacements are: Phase I (2011), 22 copiers; Phase II (2012), 12 copiers; Phase III (2013), 12 copiers and Phase IV (2014), 9 copiers. Assuming acceptable performance, staff will return to Council for approval, by change order, to add future phases in the form of change orders for each equipment replacement phase.

Phase I consists of twenty-two replacements for the following departments: CMO Administration, Legal/Mayor’s Office, DPW, TED, NPD, NFD, DPU-E, DPU-W and Reprographics. 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 \$78,282.24 (based on current monthly usage and without any overages taken into account) on the first Phase of twenty-two replacement copiers over the four year contract period compared to the previous CPC Program. This includes much more functionality of the new equipment being provided as well.

DISCUSSION:

NOTIFICATION AND RESPONSE:

Notices Sent: 67
 Planholders: 23
 Bids Received: 8

BIDDER	COST-PER-COPY	TOTAL*
Canon Business Solutions	.0180	\$322,447.68
Konica Minolta Business Solutions USA, Inc.	.0196	\$351,110.32
Martin Whalen Office Solutions Inc.	.0198	\$354,693.08
Gordon Flesch Company Inc.	.02189	\$392,132.16
Ikon Office Solutions, Inc.	.02276	\$402,917.76
Nexus Office Systems, Inc.	.023	\$412,018.08
Oce North America	.027	\$483,672.38
KKC Imaging Systems	.0298	\$533,831.00

*This amount is based on the current number of copies which were requested in the bid for all four phases. The \$151,670.88 in this agenda item is only for Phase I, however the cost-per-copy rate would stay the same if we keep the winning vendor for future Phases.

A bid was released for fifty-five CPC multi-functional copiers with eight companies responding. The bid totals are based on current monthly usage. An extensive review of the bid responses, coordination with I.T. for compatibility and a site visit to Canon Business Solutions was required



11-117, Copiers
March 15, 2011
Page 3 of 3

in order to view and test out the equipment in order to insure the copiers met the specifications of the bid. This review took longer than anticipated so an extension on Phase I of the current contract is necessary in order to allow for a smooth transition.

In order to complete the installation of Council approved copiers for the new Phase 1, we are requesting a sixty-day extension to Phase One of the current contract to IKON Office Solutions. Coordination between the two different vendors needs to be scheduled in order for the removal, replacement and set-up for twenty-two copiers, I.T. and the departments. The amount required to extend the contract for sixty days is \$9,581.38.

The Reprographics Department is also requesting a 3% contingency to the contract to allow for overages in the number copies made. The printing of the "Bridges" newsletter was brought in house as a cost-savings measure to Community Relations. The newsletter will now be printed monthly at an additional cost for copies to the Reprographics Department budget. Staff is anticipating increases in the number of copies each month.. Also, the current number of copies is not a guarantee of future usage so these numbers will fluctuate, which is why staff is requesting a contingency.

RECOMMENDATION:

Approve the award of Bid 11-117, Multi-Functional Copiers – Cost-Per-Copy - Phase I, to Canon Business Solutions for an amount of \$151,670.88 for a four year contract period or \$37,917.72 per year, plus a 3% contingency, and Approve Change Order #4, Sixty-Day Extension of Phase I for the current contract 07-158 to IKON Office Solutions for an amount not to exceed \$9,581.38.

ATTACHMENTS:

1. Contract Extension Letter

PRIOR ACTION

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IKON Office Solutions, Inc.
 410 Warrenville Road
 Lisle, IL 60532
 Telephone 630-874-5000
 Fax 630-874-5492
 www.ikon.com

March 2, 2011

Theresa Dobersztyn, C.P.M., CPPB
 Procurement Specialist
 City of Naperville
 400 S Eagle Street
 Naperville, IL 60540

Dear Theresa,

Per your request on February 15th, 2011, IKON Office Solutions, Inc. will comply with your request to; "a sixty-day extension to this contract with the same terms, conditions and pricing as the original contract award while Phases II, III and IV of this original award are still under contract with IKON." This is for Phase I of the agreement, which originally expires on Monday March 7, 2011.

Sincerely,

A handwritten signature in black ink that reads "Thomas Cutrara".

Thomas Cutrara
 Area Director of Finance

PRIOR ACTION

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COST-PER-COPY CURRENT EQUIPMENT LIST

CURRENT EQUIPMENT									
Department/Site	Machine	Recent 8-Month Copy Total	Average Copies (Monthly)	Estimated Annual Copies	Replmt Phase	Expiration Date or Approximate Date to Place	Placement Level	Anticipated Print/Scan/Fax Requirements	
NFD/Admin. (Small)	Ricoh MP1600	4,000*	500*	6,000*	2	Apr-12	(Low - 1) Table Top	Print & Fax	
NPD/Dispatch (BCC)	Ricoh MP3500	25,240	3,155	37,860	2	Apr-12	Low - 1	Not at this time	
Maintenance PBO	Ricoh MP2000	3,320	415	4,980	2	Apr-12	Low - 1	Print and Fax	
Fire Station #1	Ricoh MP2000	8,480	1,060	12,720	2	Apr-12	Low - 1	Print	
NPD/Jail	Ricoh MP2000	13,482	1,685	20,220	2	Apr-12	Low - 1	Print & Fax	
Reprographics #2	Canon IR 7105	665,008	83,126	997,512	2	Apr-12	Production High - 4	Print & Scan	
Purchasing/Comm. Rel.	Canon IR 3035	48,810	6,101	73,212	2	Apr-12	Med - 2	Print/Fax/Scan/Env.	
City Clerk	Canon IR 3035	63,589	7,949	95,388	2	Apr-12	Med - 2	Print/Fax/Env.	
TED / 1st FL. (Front)	Ricoh MP3500	34,483	4,310	51,720	2	Apr-12	Med - 2	Print	
TED / 2nd FL. (East)	Canon IR 3035	44,054	5,507	66,084	2	Apr-12	Med - 2	Print/Fax/Scan/Env.	
ESC/Engineering	Ricoh MP5500	35,402	4,425	53,100	2	Apr-12	High - 3	Print	
CEC	Canon IR 3035	29,717	3,715	44,580	2	Apr-12	Med - 2	Print/Scan/Fax	
Human Resources	Canon IR 3035	41,791	5,224	62,688	2	Apr-12	Med - 2	Print/Fax/Env.	
NPD / PSAP	Canon IR 3235	5,686	711	8,532	3	Feb-13	Med - 2	Print	
Naper/Settlement (Annex)	Canon IR 3235	86,477	10,810	129,720	3	Feb-13	Med - 2	Print/Fax/Scan	
DPW/Admin.	Canon IR 3235	53,565	6,696	80,352	3	Feb-13	Med - 2	Print/Scan/Fax/LCT/Env.	
ESC Warehouse	Ricoh MP2000	4,923	615	7,380	3	Feb-13	Low - 1	Print and Fax	
Finance Budget	Canon IR 5055	120,978	15,122	181,464	3	Feb-13	High - 3	Print	
Finance (Noise Room)	Canon IR 3235	48,240	6,030	72,360	3	Feb-13	Med - 2	Fax	
Fire Station #4	Ricoh MP2000	3,144	393	4,716	3	Feb-13	Low - 1	Print	

COST-PER-COPY CURRENT EQUIPMENT LIST

CURRENT EQUIPMENT									
Department/Site	Machine	Recent 8- Month CopyTotal	Average Copies (Monthly)	Estimated Annual Copies	Replmt Phase	Expiration Date or Approximate Date to Place	Placement Level	Anticipated Print/Scan/Fax Requirements	
NPD/Forensics	Canon IR 3235	13,487	1,686	20,232	3	Feb-13	Low - 1	Print & Fax	
N/S - (P/E/H) *(Stairs)	Canon IR 3235*	76,225	9,528	114,336	3	Feb-13	Med - 2	Print/Fax/Scan	
ESC / SCADA (1st Fl.)	Ricoh MP2000	10,682	1,335	16,020	3	Feb-13	Low - 1	Print & Fax	
NPD/Animal Control	Ricoh MP2000	8,010	1,001	12,012	3	Feb-13	Low - 1	Print & Scan	
Fire Station #3	Ricoh MP2000	2,757	345	4,140	3	Feb-13	Low - 1	Print	
Naper/Settlement (PPPO)	Canon IR 3235	7,505	938	11,256	4	Oct-14	Low - 1	Print/Fax/Scan	
TED / 1st FL. (Back)	Canon IR 5055	67,967	8,496	101,952	4	Oct-14	High - 3	Print & Scan	
DPU - Administration.	Canon IR 3235	13,676	1,710	20,520	4	Oct-14	Med - 2	Print/Fax/Scan	
ESC / SCADA (2nd Fl.)	Canon IR 3235	11,769	1,471	17,652	4	Oct-14	Low - 1	Print & Fax	
NPD / Front Desk	Ricoh MP2000	15,835	1,979	23,748	4	Oct-14	(Low - 1) Table Top	Print/Fax/Scan	
Springbrook / Admin.	Canon IR 3235	34,567	4,321	51,852	4	Oct-14	Med - 2	Print/Fax/Scan	
Information Technology	Canon IR 3235	17,622	2,203	26,436	4	Oct-14	Med - 2	Print/Fax/Scan	
Fire Station #10	Ricoh MP2000	9,365	1,171	14,052	4	Oct-14	Low - 1	Print	
NFD/EMA	Canon IR 3235	11,005	1,376	16,512	4	Oct-14	Low - 1	Print/Fax/Scan	
DPW/Field Services/S.C.	Canon IR 2525	11,734	1,467	17,604	1	May-15	Low - 1	Print	
TED/2nd FL. Copy Room	Canon IR 5050N	48,584	6,073	72,876	1	May-15	High - 3	Print	
NPD/Patrol	Canon IR 5050N	43,440	5,430	65,160	1	May-15	High - 3	Print and Fax	
NPD/Administration	Canon IR 5050N	45,343	5,668	68,016	1	May-15	High - 3	Print/Fax/Scan	
NPD/Investigations	Canon IR 5050N	82,003	10,250	123,000	1	May-15	High - 3	Not at this time	
CMO/Administration	Canon IR 5050N	58,488	7,311	87,732	1	May-15	High - 3	Print/Scan/Fax	

COST-PER-COPY CURRENT EQUIPMENT LIST

CURRENT EQUIPMENT									
Department/Site	Machine	Recent 8-Month Copy Total	Average Copies (Monthly)	Estimated Annual Copies	Replmt Phase	Expiration Date or Approximate Date to Place	Placement Level	Anticipated Print/Scan/Fax Requirements	
Fire Station #9	Canon IR 2525	5,887	736	8,832	1	May-15	Low - 1	Print	
SOC	Canon IR 2525	15,605	1,951	23,412	1	May-15	Low - 1	Print and Fax	
Electric Dist. Secretary	Canon IR 2525	8,566	1,073	12,876	1	May-15	Low - 1	Print	
Springbrook (Lower)	Canon IR 2525	1,886	236	2,832	1	May-15	Low - 1	Print	
ESC / Meter Test & Repair	Canon IR 2525	1,300	163	1,956	1	May-15	Low - 1	Not at this time	
Reprographics #1	Canon IR 8105	743,925	92,991	1,115,892	1	May-15	Production High - 4	Print & Scan	
CMO/Legal/M-O	Canon IR 5050N	76,506	9,563	114,756	1	May-15	High - 3	Not at this time	
DPW / Fleet Services	Canon IR 2525	4,520	565	6,780	1	May-15	Low - 1	Print/Fax/Scan	
Fire Dept. Administration	Canon IR 5050N	63,581	7,948	95,376	1	May-15	High - 3	Print & Scan	
Fire Station #2	Canon IR 2525	1,758	220	2,640	1	May-15	Low - 1	Print	
Fire Station #5	Canon IR 2525	3,101	388	4,656	1	May-15	Low - 1	Print & Fax	
Fire Station #6	Canon IR 2525	2,025	253	3,036	1	May-15	Low - 1	Print	
Fire Station #7	Canon IR 2525	2,701	338	4,056	1	May-15	Low - 1	Print	
Fire Station #8	Canon IR 2525	1,623	203	2,436	1	May-15	Low - 1	Print	
NPD/Records	Canon IR 5050N	92,492	11,562	138,744	1	May-15	High - 3	Fax	
WSC/NOC	Canon IR 3235i	33,650	4,206	50,472	1	May-15	Med - 2	Print/Fax/Scan	
56 Machines				373,704				4,484,448	

13 - Phase #2's
 12 - Phase #3's
 9 - Phase #4's
 22 - Phase #1's

From: mkushner@csa.canon.com
To: [Fischer, Jan](#)
Subject: Canon Lease Expiration
Date: Monday, February 23, 2015 1:29:55 PM
Attachments: [ATT00002.png](#)
[ATT00003.png](#)
[ATT00004.png](#)
[ATT00005.png](#)

Jan,

Thanks for your call. Per our discussion, I have confirmed with Canon Financial Services that your lease for Phase 1 expires on June 13, 2015. At the end of the lease,, if no decision has been finalized, the City will automatically go on a "month to month" lease at the same rates. You can extend this process as long as you need. Please let me know if you have any other questions.



Mike Kushner
Major Account Executive
MBA
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