

STAFF REPORT
City of Lancaster

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MVB

Date: March 12, 2013

To: Mayor Parris and City Council Members

From: Barbara Boswell, Director of Finance

Subject: **Award of Contract – RFP No. 564-13 “Citywide Copier Replacement”**

Recommendation:

Award Contract for RFP No. 564-13, “Citywide Copier Replacement”, to American Business Machines, a local Antelope Valley business, for an estimated total of \$596,563. Authorize the City Manager, or his designee, to sign all documents. This contract is awarded in accordance with City of Lancaster Municipal Code Chapter 3.32.

Fiscal Impact:

Estimated \$596,563 for the lease and maintenance of copier equipment over a 60-month period; sufficient funds are budgeted in Reprographic Costs Account No. 101-4310-254 annually. No additional maintenance or supply costs are associated with this procurement. Amount estimated due to variation in actual per copy usage.

Background:

The City’s primary copier lease is set to expire in July 2013. In addition, the City has other copiers and wide format printers that are at the end of their useful life and are eligible for upgrade.

In December, purchasing staff worked with departments to identify and assess current equipment requirements. Based on the input from departments and analysis of copier usage reports, purchasing staff developed a list of replacement equipment and requested proposals from several vendors.

Purchasing requested that each vendor supply pricing and terms based on existing cooperative agreements or existing contracts with piggyback clauses. The use of these purchasing vehicles allows the City to leverage off high volume contracts, all of which have been competitively bid by a larger public agency or group of agencies.

Staff received six proposals on January 16th. After review, staff requested best and final offers from four vendors. An evaluation committee ranked the finalists based on several criteria, including pricing, responsiveness, after sales service references, device functionality, and the ability to support the City with local technicians and a local parts warehouse.

American Business Machines, a local Antelope Valley business, ranked highest overall. With the contract with American Business Machines, the City will realize an estimated annual cost savings over current costs of \$85,377, or \$426,885 savings over the life of the contract. The pricing is based on California State University Contract MEA 70818, a copy of which is filed in the purchasing office.

Therefore, staff recommends awarding American Business Machines a contract for lease and maintenance of copiers in the estimated amount of \$596,563.

BB:CDF

Attachment:

Copier Proposal Estimated Cost Savings