



Agenda Item:

49

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 11/07/05
Agenda Item Type: Resolution

Communication No.: 05-627
Roll Call No.:

Submitted by: Richard Clark, Acting City Manager

SUBJECT—

Resolution Accepting Proposal And Authorizing The City Manager To Execute An Agreement With Koch Brothers For Copier Services

SYNOPSIS—

A Request For Proposals (RFP) for copier service was issued by the Finance Department, Purchasing Division on June 17, 2005. All proposals were due no later than 10:30 A. M. July 14, 2005. Three vendors submitted proposals: Koch Brothers (Dutch Koch, Owner/President, 301 E. Locust, Des Moines, IA), Ikon Office Solutions (Doug Thondrson, CEO Minneapolis/Iowa Region, 1820 NW 118th St, Ste 100, Des Moines, IA), and Midwest Office Technology (Susan Illie Brame, Owner/President, 6294, N.E. 14th, Des Moines, IA). A selection team was formed of key City staff to evaluate each proposal and select the most qualified vendor. Selection was based on three major criteria: mandatory elements (billing, training and maintenance, equipment specifications, network capacity, and flexibility), technical qualifications (equipment meets basic RFP standards, support and maintenance, and past experience), and price. All three vendors were scored based on the described criteria and Koch Brothers received the most points. Koch Brothers is also the low bidder.

FISCAL IMPACT—

The fiscal impact of the contract is unknown. Currently there are 26 copier contracts throughout the City that will expire on or before the end of December 31, 2005. Copier needs for each department vary in volume, applications and capabilities. Due to this variance actual copiers costs will vary. It is assumed that some level of savings will be realized in moving to a cost-per copy lease contract. Funds are available in the general operating budgets of various departments.

RECOMMENDATION—

Approval

BACKGROUND—

All three vendors meet the specifications as outlined in the copier RFP and are capable of supplying the City with quality equipment and service. Therefore, the determining factor became cost. Koch Brothers is the only vendor that submitted a price-per-copy proposal in their original response. Midwest subsequently submitted a cost-per-copy bid upon request by the selection committee. Ikon was unable to submit cost-per-copy bid due to its current pricing structure. Koch Brothers submitted the lowest bid.

The City currently has copier contracts with seven vendors. The proposal for City copier services will essentially reduce the number of copier vendors to one. However, three City departments have requested the option to be excluded from this contract due to the specific and specialized nature of their copying needs. Current contracts will be honored. Koch Brothers will provide new copiers as current copier contracts expire. Decreasing the number of vendors will allow for increased efficiency.

The Contract will be effective upon the City Manager's signature for a term of three (3) years. Upon mutual agreement by Koch Brothers and the City the contract may be extended for up to three additional one-year periods with all prices remaining firm throughout the life of the contract.

The scope of the RFP includes the following.

1. A competitive cost-per-copy price from copier equipment manufactures and/or their certified dealers for implementing a cost-per-copy copier program.
2. A total print solution that merges editing, networking, web based job management and electronic forms. Suppliers were requested to be as creative as possible and even propose products and/or services that would be of benefit both financially and operationally to the City.
3. The cost-per-copy will include the cost of equipment, maintenance, and all operating supplies except paper (i.e. toner, developer, fuser oil, staples, etc.). The proposal price per copy shall include all costs associated with the administration of the service, including, but not limited to all copiers, delivery, installation, training, dedicated technicians(s), all supplies needed to operate the copiers, delivery of supplies and removal of the equipment upon termination of the resultant contract or purchase order.
4. Volume incentives may be offered in the form of a reduced cost-per copy charge based on defined volume levels.
5. Payment under the contract will be made monthly on the basis of the number of copies provided during the preceding month, with payment calculated by multiplying the cost per copy by the number of copies provided during the preceding month. The contract shall not obligate the City to any minimum number of copies or any minimum monthly payment.
6. The City reserves the right to award a contract to more than one supplier.