



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Employee and Public Services

DATE: June 14, 2004

BOARD MEETING DATE: June 29, 2004

TO: Honorable Board of Supervisors

FROM: *MW* Mary Welch, Employee and Public Services Director
Steven Rossi, Purchasing/Copy/Mail Manager, EPS

SUBJECT: *SR* Resolution authorizing the Purchasing Agent to contract with Xerox Corporation for the lease of Xerox DocuTech6115 with the DigiPath Workflow System, maintenance, supplies, training and support, replacing the Copy Center's existing contract that expires on June 30, 2004

Recommendation

Adopt a Resolution authorizing the Purchasing Agent to enter into a lease agreement with Xerox Corporation for a Xerox DocuTech6115 with the DigiPath Workflow System, maintenance, supplies, training and support.

Background

The Copy Center was established in 1994, replacing the old Offset Print Reprographics Center. In order to provide copying services to departments, the Copy Center has contracted with Xerox as a sole source vendor for the past ten years for high speed high volume copying machines.

These machines have allowed the Copy Center to provide a broad range of copying services to departments at significant savings. In the past five years the Copy Center has printed more than 59 million impressions, with the current Xerox DocuTech responsible for 30% of that work.

Discussion

Technological innovations and advances in the past five years have created a more competitive market. Based on our research, we determined it was in the County's best interest to issue a Request for Proposal (RFP) rather than sole source with Xerox.

as we had in the past.

On April 14, 2004 the Purchasing Division issued an RFP for these copy services. The RFP was advertised and 19 potential vendors were notified. The criteria identified in the RFP were: price, technical support, ability to meet County requirements (specifications), conformance to the RFP (County terms and conditions such as equal benefits and non-discrimination requirements), and references.

Four responses were received, and two were identified as best meeting the Copy Center's needs. Both vendors were provided an opportunity to demonstrate their systems and outside Copy Managers were interviewed regarding the functionality of the systems and support provided by the vendor. Upon completion of the analysis, it was determined that Xerox Corporation provided the best combination of functionality, support, training and pricing, and it is in the County's best interest to contract with Xerox for a 51-month term (includes a three month 80% reduced cost initial transition period). The contract also allows the County, at its sole option, to renew the contract for an additional 12-month period at the same price.

Xerox meets both the County's equal benefits and non-discrimination requirements, and County Counsel has reviewed and approved the contract.

Employee and Public Services recommends the selection of Xerox Corporation and seeks authorization for the Purchasing Agent to execute this contract with Xerox Corporation.

Vision Alignment

Awarding this contract to Xerox fosters goal number 21: understanding, supporting, and integrating the County vision into the delivery of services.

Fiscal Impact

The existing contract that expires with Xerox on June 30, 2004 set forth monthly payments of approximately \$6,700 (including tax but excluding supplies), or a total of \$321,600 for 48 months. The new proposed contract calls for monthly payments of \$5,454 (including tax but excluding supplies) for a total of \$261,792 for 48 months. The savings on the new contract project to be \$59,808 for 48 months, or 19%. These savings exceed the County Manager's budgetary advice to make every effort to reduce contracts by 10% for this coming fiscal year.

Costs associated with this contract have been included in the budget for fiscal year 2004-05, and are recouped by amounts billed to departments for the copy services provided to them.

RECOMMENDED
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[Signature]
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COUNTY MANAGER

Exhibit A

1.	General Description of RFP	Contract for the lease of a high speed document duplication and production system, including maintenance, support, supplies, and training.
2.	List key evaluation criteria	Price, maintenance and service, ability to meet County requirements, references, and conformity to the RFP.
3.	Where advertised	San Mateo Times
4.	In addition to any advertisement, list others to whom RFP was sent	American Business Equipment Astro Business Technologies Caltronics Business Systems Cannon Business Solutions West CPO Ltd. Heidelberg USA, Inc. IKON Office Systems Imagistics-Pitney Bowes Konica Business Technologies Konica Minolta Business Solutions MBA of California, Inc. Newcal Industries, Inc. OCE Printing Systems USA, Inc. Pinnacle Document Systems Rabbit Office Automation Ricoh Business Systems Systems Business Machines, Inc. Taylormade Digital Systems Xerox Corporation
5.	Total number sent to prospective proposers	19
6.	Number of proposals received	4
7.	Who evaluated the proposals	Steven Rossi, Purchasing Manager
8.	In alphabetical order, names of proposers (or finalists, if applicable) and location	CPO Ltd, 2545 Scott Blvd, Santa Clara, Ca 95050 Rabbit Copiers, Inc, 904 Weddell Ct., Sunnyvale, Ca 94089 Ricoh Business Systems, Inc., 4677 Ironsides Drive, Suite 310, Santa Clara, CA 95054 Xerox Corporation, 2665 North First Street, San Jose, Ca 95134