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Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE
JUNE 21, 2007**

**SUBJECT: CONTRACT NO. PS07642013, COPY SERVICES, DANKA OFFICE
IMAGING COMPANY**

ACTION: AUTHORIZE AWARD OF COPY SERVICES CONTRACT

RECOMMENDATION

Authorize the Chief Executive Officer to award a five-year, unit rate contract, Contract Number PS07642013 to Danka Office Imaging Company for Copy Services in an amount not to exceed of \$1,369,000, including supplies and applicable sales/use taxes, effective upon installation of all equipment.

RATIONALE

Metro requires high-speed copier/printer services to produce multiple copies of Board and committee agenda packets, budget books, and training manuals for classes and instruction provided in vehicle maintenance and operation. The Copy Center produces materials for Organizational Development skills building classes, bid and proposal packages. The Copy Center also handles scheduling materials, paddles, summaries, service change running boards, and maps for Metro Bus and Rail Operations. Additionally, the Copy Center creates bound copies of studies, publications, applications for projects, surveys, and environmental reports for various Planning functions.

As part of the procurement, the Copy Center is replacing its fifteen year old, analog, black and white, wide format printer with a digital, network capable, color capable wide format printer. This will replace old technology that is becoming increasingly difficult to maintain and service. Since the current technology has evolved from analog to digital, this will bring Metro up-to-date, which will increase production due to less mechanical breakdowns and will realize cost-savings on maintenance of old out-dated machines.

Additionally, a color copier in the Communications Department and another fifteen year old, analog, black and white, wide format engineering printer located in the Metro Gold Line Eastside field office will be replaced.

The Copy Center also currently provides high-speed copy services by leasing three networked, high volume black-and-white copiers, one mid-volume black and white copier, and one color copier. This equipment is being replaced on a one-to-one basis. The lease with Xerox Corporation for this equipment will expire on September 30, 2007.

FINANCIAL IMPACT

Funding of \$596,208 for this service is included in the FY08 budget in cost center number 6420, Copying Services under projects 100030, 100040, 100060, and 100080, and line item 51205, Lease of Office Equipment. Since this is a multi-year contract, the Cost Center manager and Executive Officer will be accountable for budgeting the cost in future years. In FY06, \$603,656 was expended on this line item.

ALTERNATIVES CONSIDERED

- A. Continue using the current machines. This alternative would result in a decline in copying services and quality because the current machines are old and subject to a higher breakdown rate. Also, the manufacturer of these machines has introduced new machines and it will become increasingly difficult to obtain service warranties and parts for them.
- B. Send all high volume jobs to an outside vendor. Sending all photocopying to an outside vendor is not feasible. Although it will probably be necessary to send work that is too voluminous or specialized to an outside vendor, Metro's labor contract requires that our internal staff be given the opportunity to produce all work for which they have requisite skills to perform.

ATTACHMENT

- A. Procurement Summary

Prepared by: Brian Soto, Deputy Executive Officer, General Services

B E Feen FOR

Lonnie Mitchell
Chief of Administrative Services Officer

Roger Snoble

Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

COPY SERVICES

1.	Contract Number: PS07642013		
2.	Recommended Vendor: Danka Office Imaging Company		
3.	Cost/Price Analysis Information:		
	Bid/Proposed Price: \$1,188,534 (w/o sales tax or supplies)	Recommended Price: \$1,188,534 (w/o sales tax or supplies)	
4.	Contract Type: Unit Rate		
5.	Procurement Dates:		
	A. Issued: October 31, 2006		
	B. Advertised: October 31, 2006		
	C. Pre-bid/proposal Conference: November 9, 2006		
	D. Bids/Proposals Due: January 30, 2007		
	E. Pre-Qualification Completed: March 31, 2007		
	F. Conflict of Interest Form Submitted to Ethics: June 6, 2007		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: No goal recommended	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: No goal recommended		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 22	Bids/Proposals Picked up: 22	Bids/Proposals Received: 4
8.	Evaluation Information:		
	<u>Bidders/Proposers Names:</u> Danka Office Imaging/Toshiba America Canon Business Solutions Danka Office Imaging/Eastman Kodak Xerox Corporation Océ North America	<u>Bids/Proposals Amount:</u> \$1,188,533.28 \$1,664,749.20 \$1,685,159.47 \$2,306,242.80 Non-Responsive	<u>Best and Final Offer Amount:</u> N/A
	Evaluation Methodology: Explicit Factors, Most Advantageous		
9.	Protest Information:		
	A. Protest Period End Date: June 20, 2007		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Ken Takahashi	Telephone Number: (213) 922-1047	
11.	Project Manager: Thomas Rodriguez	Telephone Number: (213) 922-4356	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT SUMMARY**

COPY SERVICES

A. Background of Contractor

Danka Office Imaging Company (Danka) has been in the copier service industry for over thirty years. Danka is one of the largest distributors of Original Equipment Manufacturer products and integrated document solutions. Danka is not an equipment manufacturer, but it services over thirty-five thousand clients with over 150,000 various devices. Danka has built alliances with equipment manufacturers such as Canon USA, Eastman Kodak Company, Toshiba America Business Solutions, and Heidelberg.

B. Procurement Background

The procurement was a standard explicit factors Request for Proposals (RFP). Proposers were allowed to submit alternate proposals as long as they met the stated requirements of the RFP. Proposals that were deemed responsive and responsible were evaluated on the basis of the following criteria:

Price	50%
Technical Capabilities	40%
Qualifications of Firm/Staff	10%

The Source Selection Committee (SSC) reviewed each proposal using the above criteria and determined that the Danka proposal that included Toshiba America Business Solutions high volume, black and white machines represented the most advantageous arrangement for Metro. This proposal also has the benefit of offering the lowest price.

C. Evaluation of Proposals

The procurement is in compliance with Metro Procurement policies and procedures.

D. Cost/Price Analysis and Explanation of Variances

The recommended price was determined to be fair and reasonable based upon adequate price competition. The difference in the proposed price and the requested not-to-exceed amount is the result of adding estimated supplies of \$75,000 and estimated sales/use taxes of \$105,000 for the five year contract.

**BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS**

COPY SERVICES

Prime Contractor: Danka Office Imaging Company

Small Business Commitment

Other Subcontractors

None Recommended

None

Total Commitment: None Recommended