

# DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 9, 2009

Board Item: V-A-5

## Extension of Lease for Printing Equipment

Action by Consent

Action

Information

In early 2006, the Information Technology division assessed the benefits of outsourcing Denver Water print services. The assessment included issuing a Request for Information to eight suppliers. The pricing information received from the eight suppliers indicated that Denver Water's current in-house costs for print services are very much in line with outsourcing alternatives. Only one supplier priced their outsourcing service costs lower than our costs, and only by 5%. Given the lack of a cost motivation and the service implications of outsourcing, IT concluded it was not appropriate to outsource print services.

A number of recommendations were subsequently developed to improve Denver Water's print service capabilities while maintaining current cost levels, including:

- Combining the "Print Shop" and "IT Datacenter water bill printing" into a single Print Services operation.
- Reduce staffing levels in the combined operation by 1 FTE.
- Upgrading current equipment to improve load sharing, throughput and redundancy.

Upgrading current printing equipment for in-house print services requires both hardware and software for a make-ready solution, and the coordination of delivery, installation, startup and training.

On December 13, 2006 the Board approved a contract with Xerox for the period January 1, 2007 through December 31, 2009 for a total contract amount of \$802,000.00. The contract included both color and black & white printers, hardware, software and related services. As a result of current technology and options now available in the printing industry, Denver Water is evaluating the configuration which will best serve our needs. A thorough evaluation and bid options should be complete within a six month timeframe. The existing contract with Xerox can be extended through June 30, 2010 at current pricing.

Funds will be included in the 2010 Budget for these expenditures (MPC 4HK0003).

### Recommendation:

It is recommended the Board authorize additional funds for Contract No. 10601A to Xerox Corporation, to provide printing hardware, software and related services for the period January 1, 2010 through June 30, 2010, for an additional contract amount of \$150,000.00, for a total contract amount not to exceed \$952,000.00.


### Contract Additions

Original Amount	\$ 802,000.00
Previous Amendments	\$ 0.00
Expenditures	\$ 740,543.10
Amount Remaining	\$ 64,456.90
Additional Funds	\$ 150,000.00
Total Contract	\$ 952,000.00

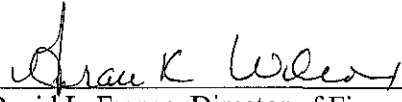
8/31/09

Revised by Legal 8/31/2009

**Approvals:**

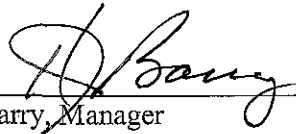
  
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Patricia L. Wells, General Counsel

  
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Chris Dermody, Director Information Technology

  
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David LaFrance, Director of Finance

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Respectfully submitted,

  
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H. J. Barry, Manager