

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: February 10, 2010

Board Item: V-E-2

Tabulation of Bids for Color Printing Equipment and Services

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.
- Reducing staff 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 hardware, service, and the coordination of delivery, installation, startup and training.

Requests for bids were sent to forty-one potential bidders, including one SBE, and faxed to eight SBE organizations. Denver Water received nine responses. None of the responses were SBE's. All responses were evaluated to further refine the specifications which would best fit our configuration and printer needs. That evaluation resulted in Konica Minolta printers best meeting our requirements. Requests for bids with refined specifications were sent to the three respondents who provide Konica Minolta machines. Denver water received three responses as per the attached tabulation. None of the responses were SBE's. The low bidder meeting specifications, including monthly services, is All Copy Products, Inc.

The previous contract was awarded to Xerox Corporation. This contract with All Copy Products, Inc. is approximately 48 percent lower than the previous contract.

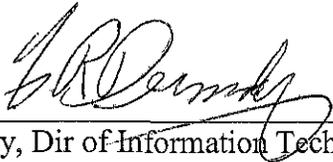
A separate evaluation and request for bids will be performed for the black & white printing equipment, software and services within the next six to eight months.

Funds are included in the 2010 Budget and will be included in the 2011 and 2012 Budgets for the service portion of the expenditures (MPC4JN0003). Funds are also included in the 2010 Budget and would have been included in the 2011 and 2012 Budgets for leasing of the printers. However, since the purchase price of the printers is less than a three year lease, total funds for the purchase of the printers will be expended in 2010, and the printers will be capitalized in 2010. This will require a variance to the Capital Improvement Plan.

Recommendation:

It is recommended the Board authorize award of Contract No. 12583A to All Copy Products, Inc. for the purchase of color printing equipment and for monthly services for the contract period March 1, 2010 through February 28, 2013, for a total contract amount not to exceed \$220,000.00. This award is based on best price, compliance with specifications and acceptable delivery.

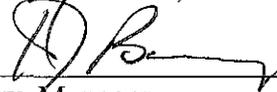
Approvals:



Chris Dermody, Dir of Information Technology


David LaFrance, Director of Finance

Respectfully submitted,


H. J. Barry, Manager