

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2008 MAY 15 PM 6:46

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Finance and Management Agency
DATE: May 27, 2008

RE: **RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO AWARD A CONTRACT TO SHARP BUSINESS SYSTEMS, PLEASANTON, CALIFORNIA IN AN ANNUAL AMOUNT NOT-TO-EXCEED THREE HUNDRED, THIRTY-THREE THOUSAND, TWO-HUNDRED SIXTEEN DOLLARS (\$333,216.00) FOR COST PER COPY RENTAL OF CONVENIENCE COPIERS FOR A TWO-YEAR TERM WITH TWO (2) OPTIONS TO EXTEND THE CONTRACT FOR TWO (2) ADDITIONAL ONE-YEAR TERMS AT AN ANNUAL RATE OF THREE HUNDRED, THIRTY-THREE THOUSAND, TWO-HUNDRED SIXTEEN DOLLARS (\$333,216.00), FOR A TOTAL NOT-TO-EXCEED CONTRACT AMOUNT OF ONE MILLION, THREE HUNDRED THIRTY TWO THOUSAND, EIGHT HUNDRED SIXTY FOUR DOLLARS AND NO CENTS (\$1,332, 864.00)**

SUMMARY

The current citywide cost per copy contract will expire on August 31, 2008 and therefore a Request for Bid to establish a new, most economical contract for the City has been conducted. This contract is managed by the Department of Information Technology (DIT). Staffs from DIT and Purchasing reviewed the proposals submitted and recommend awarding the contract to Sharp Business Systems. A Resolution has been jointly prepared by the Purchasing Division and the Department of Information Technology for City Council approval to award a two year contract to Sharp Business Systems, Pleasanton, CA for the rental of convenience copiers with two (2) options to extend the contract for two (2) additional one-year terms. See Attachment A - Award Recommendation Statement

FISCAL IMPACT

There is no fiscal impact. Currently there are funds appropriated in Fund (4300), Organization (46121), Account (53213), Project (0000000), Program (D128) to cover the estimated annual cost for this contract of \$ 333,216.00; and that beginning in the third year of the contract, the City Administrator will have two (2) options to extend this contract for two (2) additional one-year terms at a rate of \$333,216.00 per year, for a total contract amount not-to-exceed

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\$1,3332,864.00. The Reproduction Fund is an internal service fund. The Fund is reimbursed by City Departments on a per copy charge for the use of the copiers. The City Departments already have funds budgeted in the internal duplicating account 56312 to reimburse the Reproduction Fund for these costs. See Attachment B - BID Cost per copy rental of convenience copiers.

BACKGROUND

Council Resolution No. 75436 C.M.S. awarded a contract to Atlantic Office Automation for rental of convenience copiers. Administrative Bulletin dated October 13, 1997 announced the citywide replacement of convenience copiers over a 60-day period at that time. Training was provided to staff at every site at time of delivery. History shows that the replacement at that time was done very successfully. Therefore, the same procedure is being adopted for the replacement of all convenience copiers at this time.

In anticipation of a new contract, Purchasing and DIT conducted a comparative analysis of models and features of analog and digital copiers. The specification was sent to 29 prospective bidders, 4 local business enterprises, 3 small local business enterprises and 25 non-local business enterprises. The RFP was also posted on the internet and announced in several local newspapers as per city guidelines. A pre bid meeting was held on August 23, 2007 at 10:30 a.m.. Meeting minutes were sent to all interested business enterprises. The City Clerk accepted bids at the deadline of September 17, 2007, 2:00 p.m.. The City received 5 proposals: 1 local business enterprise and 4 non local business enterprises.

Staff determined that all five proposals met the City's requirements. Sharp Business Systems in Pleasanton was the lowest bidder.

KEY ISSUES AND IMPACTS

The contract with Atlantic Office Automation expired at the end of February 2008. In accordance with contract terms and conditions, the City extended this contract with a new expiration date of August 31, 2008.

Sharp Business Systems, Pleasanton, has been certified by Purchasing and Contract Compliance and is proposing new Sharp digital copiers with current technology to replace our aging equipment.

PROJECT DESCRIPTION

Upon council approval, the Department of Information Technology proposes a 60-day replacement plan. The Reprographics Supervisor will coordinate the equipment replacement with Sharp Business Systems, Pleasanton and each department to minimize the disruption of business

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during this period. All agencies / departments will provide DIT with the name, phone number and location of an employee to serve as the contact point for the equipment change as well as Key Operator. The Key Operator will be responsible for notifying staff of the transfer and coordinating the training of personnel after the new equipment is in place. The Department of Information Technology will notify each agency / department at least two business days prior to the delivery of equipment. Sharp Business Systems will conduct a training session for each unit receiving new equipment following the installation and setup. Sharp Business Systems will be required to hold additional training session refresher classes and DIT will coordinate such training with the citywide training unit.

Sharp Business Systems is required to maintain all equipment and to deliver supplies as needed. All maintenance is to be performed by the vendor during regular business hours, Monday through Friday, 8 a.m. to 5 p.m. Calls for repair are to be responded to within a maximum of four business hours of the initial call.

SUSTAINABLE OPPORTUNITIES

Economic: No economic opportunities have been identified.

Environmental: Equipment provides the highest standards environmentally. Cartridges are degradable and recyclable.

Social Equity: No social equity opportunities have been identified.

DISABILITY AND SENIOR CITIZEN ACCESS

There are no ADA or senior citizen access issues contained in this report.

RECOMMENDATION(S) AND RATIONALE

Staff recommends that the City Council accept the recommendation to award a two year contract to Sharp Business Systems, Pleasanton, CA in the annual not to exceed amount of \$ 333,216.00, according to specification No. 09-985-26-1 and the General Conditions thereof on file in Purchasing, to Sharp Business Systems, Pleasanton, California, a corporation, according to its proposal filed with the City Clerk on September 17, 2007; and that beginning in the third year of the contract, the City Administrator will have two (2) options to extend this contract for two (2)

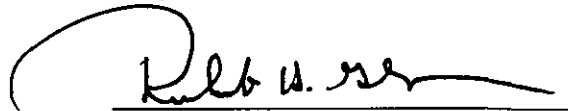
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additional one-year terms at a rate of \$333,216.00 per year, for a total contract amount not-to-exceed \$1,333,864.00.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve the resolution, awarding a contract to Sharp Business Systems for cost per copy rental of convenience copiers.


Respectfully submitted,



Robert H. Glaze, Director
Department of Information Technology

Prepared by:
Esther Frazier, Administrative Analyst II
Administrative Services

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:


Office of the City Administrator

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CITY OF OAKLAND
PURCHASING AND CONTRACTING
AWARD RECOMMENDATION STATEMENT

| | | | | |
|--|--|---|--|--|
| Joslyn Randolph | | PURCHASE/ACQUISITION/CONTRACT: Cost-Per-Copy Rental of Convenience Copiers | | |
| COUNCIL AGENDA DATE: | SPECIFICATION/ PROJECT NO.: | FUNDING SOURCE: | BID OPENING DATE: | |
| | 09-985-26-1 | Various agency's adopted budgets for 2008-2010 | September 17, 2007 | |
| | PREVIOUS LEGISLATION: Resolution No. 75436, C.M.S., dated December 14, 1999. | | | |
| CONTRACT PERIOD: March 2007 to February 28, 2009 | | | | |
| PURPOSE STATEMENT: To provide the City of Oakland with rental of convenience copiers at a cost-per copy rate. The rate is to include all labor, materials, equipment, transportation, insurance and taxes necessary to deliver, install, remove, and relocate copiers. Additionally, the rate is to include on-site training, monthly preventative maintenance, on-call repairs, and automatic delivery of toner, developer and staples. | | | | |
| ITEM NO./DESCRIPTION | ESTIMATED COPIERS/MONTH | 2006COMPOSITE AVERAGE UNIT PRICE | NEW COMPOSITE AVERAGE UNIT PRICE | PERCENT CHANGE |
| 1. 16 pages per minute | 23,000 | | \$ | |
| 2. 20 pages per minute | 46,000 | | \$ | |
| 3. 27 pages per minute | 206,000 | | \$ | |
| 4. 35 pages per minute | 358,000 | | \$ | |
| 5. 45 pages per minute | 139,000 | | \$ | |
| 6. 55 pages per minute | 210,000 | | \$ | |
| 7. 62 pages per minute | 175,000 | | \$ | |
| COMMENTARY: There were no preferences given for this item therefore no additional costs to the City. | | | | |
| RANGE OF BIDS RECEIVED | | | | |
| Total Bids Received/Dollar Range | | | Bids Which Meet Specification/Dollar Range \$333,216.00 | |
| LOW BIDS NOT MEETING SPECIFICATION | | | | |
| Vendor/Contractor | | Reason | Recommendation on Rejections | |
| AWARD RECOMMENDED | | | | |
| VENDOR NAME/ADDRESS (Local, Small Local) Sharp Business System 470 Boulder Court, Suite 100 Pleasanton, CA 94566 | | ITEM NOS. 1 through 7 | DESCRIPTION Cost-Per-Copy Rental of Convenience Copies | NOT-TO-EXCEED ANNUAL AMOUNT \$333,216.00 |

Submitted By

Approved and Forwarded Council

Department Head

Office of the City Manager

| BID CALL | TOTAL | LOWEST BID BY CATEGORY | | |
|--------------------|-------|------------------------|----------------------|------------|
| | | LOCAL BUSINESS | SMALL LOCAL BUSINESS | ALL OTHERS |
| ASK | 29 | 4 | 3 | 25 |
| NO RESPONSE | 23 | 2 | 2 | 21 |
| BIDS RECEIVED | 6 | 2 | 1 | 4 |
| AWARDS RECOMMENDED | 1 | 0 | 1-\$333,216.00 | 0 |

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Attachment A 27-May-08

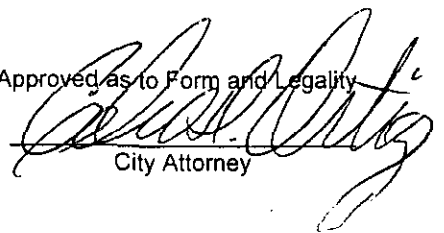
CITY OF OAKLAND
BID NO. 09-985-26-1
COST-PER-COPY RENTAL OF CONVENIENCE COPIERS

| VENDOR INFORMATION | | | BIDDER # 1 | | BIDDER # 2 | | BIDDER # 3 | | BIDDER # 4 | | BIDDER # 5 | |
|--|---|-----------|-------------------------------|---------------|------------------------------|--------------|--------------------------|--------------|--------------------------|----------------------------------|------------------------|--------------|
| | Vendor Name | | Crystal Data Solutions, Inc., | | Sharp Business System | | IKON Document Efficiency | | NewCal Industries Cannon | | MBA of California | |
| | Vendor Address | | 610 - 16TH STREET, SUITE 317 | | 470 Boulder Court, Suite 100 | | 390 N Wiget Lane #200 | | 3266 BusKirk Avenue | | 3170 Corporation Place | |
| | Comments / Notes | | OAKLAND, CA 94612 | | Pleasanton, CA 94566 | | Walnut Creek, CA 94598 | | Pleasant, CA 94523 | | Hayward, CA 94545 | |
| | Telephone | | 888/929-2679 | | 925/417-8400 x4926 | | 925/988-4118 | | 925/465-8463 | | 510/604-8970 | |
| | Small local vendor? | | yes | | no | | no | | no | | no | |
| | Oakland vendor? | | yes | | no | | no | | no | | no | |
| item # | DESCRIPTION | quant/mo. | unit cost | total | unit cost | total | unit cost | total | unit cost | total | unit cost | total |
| 1 | 16 pages per minute (or equivalent) 26 units each | 23000 | \$ 0.02500 | \$ 575.00 | \$ 0.02400 | \$ 552.00 | \$ 0.02990 | \$ 687.70 | \$ 0.02787 | \$ 641.01 | \$ 0.12700 | \$ 2,921.00 |
| 2 | 20 pages per minute (or equivalent) 25 units each | 46000 | \$ 0.02500 | \$ 1,150.00 | \$ 0.02400 | \$ 1,104.00 | \$ 0.02990 | \$ 1,375.40 | \$ 0.02787 | \$ 1,282.02 | \$ 0.09840 | \$ 4,526.40 |
| 3 | 27 pages per minute (or equivalent) 44 units each | 206000 | \$ 0.02500 | \$ 5,150.00 | \$ 0.02400 | \$ 4,944.00 | \$ 0.02990 | \$ 6,159.40 | \$ 0.02787 | \$ 5,741.22 | \$ 0.05400 | \$ 11,124.00 |
| 4 | 35 pages per minute (or equivalent) 44 units each | 358000 | \$ 0.02500 | \$ 8,950.00 | \$ 0.02400 | \$ 8,592.00 | \$ 0.02990 | \$ 10,704.20 | \$ 0.02787 | \$ 9,977.46 | \$ 0.03310 | \$ 11,849.80 |
| 5 | 45 pages per minute (or equivalent) 13 units each | 139000 | \$ 0.02500 | \$ 3,475.00 | \$ 0.02400 | \$ 3,336.00 | \$ 0.02990 | \$ 4,156.10 | \$ 0.02787 | \$ 3,873.93 | \$ 0.03020 | \$ 4,197.80 |
| 6 | 55 pages per minute (or equivalent) 8 units each | 210000 | \$ 0.02500 | \$ 5,250.00 | \$ 0.02400 | \$ 5,040.00 | \$ 0.02990 | \$ 6,279.00 | \$ 0.02787 | \$ 5,852.70 | \$ 0.01990 | \$ 4,179.00 |
| 7 | 62 pages per minute (or equivalent) 5 units each | 175000 | \$ 0.02500 | \$ 4,375.00 | \$ 0.02400 | \$ 4,200.00 | \$ 0.02990 | \$ 5,232.50 | \$ 0.02787 | \$ 4,877.25 | \$ 0.01610 | \$ 2,817.50 |
| | 10 | | | \$ - | | \$ - | | \$ - | | \$ - | | \$ - |
| | Total estimated monthly without sales tax | | | \$ 28,350.00 | | \$ 27,768.00 | | \$ 34,594.30 | | \$ 32,245.59 | | \$ 41,615.50 |
| | Small Local Preferences | 0.05 | | \$ (1,417.50) | | \$ - | | \$ - | | \$ - | | \$ - |
| | | | | \$ 26,932.50 | | | | | | | | |
| | California Sales Taxes | 0.0875 | | \$ 2,480.63 | | included | | \$ 3,027.00 | | \$ 2,821.49 | | \$ 3,641.36 |
| | Total Monthly estimated cost | | | \$ 29,413.13 | | \$ 27,768.00 | | \$ 37,621.30 | | \$ 35,067.08 | | \$ 45,256.86 |
| | | | | | | | | | | Item: _____ | | |
| **Crystal Data Solution is not a certified small local Vendor per V. Inman | | | | | | | | | | Finance and Management Committee | | |
| | | | | | | | | | | Attachm 27-May-08 | | |

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2008 MAY 15 PM 6:46

Approved as to Form and Legality


City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO AWARD A CONTRACT TO SHARP BUSINESS SYSTEMS, PLEASANTON, CALIFORNIA IN AN ANNUAL AMOUNT NOT-TO-EXCEED THREE HUNDRED, THIRTY-THREE THOUSAND, TWO-HUNDRED SIXTEEN DOLLARS (\$333,216.00) FOR COST PER COPY RENTAL OF CONVENIENCE COPIERS FOR A TWO-YEAR TERM WITH TWO (2) OPTIONS TO EXTEND THE CONTRACT FOR TWO (2) ADDITIONAL ONE-YEAR TERMS AT AN ANNUAL RATE OF THREE HUNDRED, THIRTY-THREE THOUSAND, TWO-HUNDRED SIXTEEN DOLLARS (\$333,216.00), FOR A TOTAL NOT-TO-EXCEED CONTRACT AMOUNT OF ONE MILLION, THREE HUNDRED THIRTY TWO THOUSAND, EIGHT HUNDRED SIXTY FOUR DOLLARS AND NO CENTS (\$1,332, 864.00)

WHEREAS, on December 14, 1999, per Council Resolution No. 75436, the Council awarded a contract to Atlantic Office Automation for rental of convenience copiers; and

WHEREAS, this contract will expire on August 31, 2008 in accordance with contract terms and conditions; and

WHEREAS, staff from Purchasing and the Department of Information Technology prepared and distributed a Request for Proposal (RFP) to 29 vendors for cost per copy rental of convenience copiers; and

WHEREAS, the City received 5 proposals: 1 local business enterprise and 4 non local business enterprises for same RFP; and

WHEREAS, staff from Purchasing and the Information Technology Department evaluated all proposals received and recommends that Sharp Business Systems, Pleasanton, California be awarded the contract; and

WHEREAS, funds are currently appropriated in Fund (4300), Organization (46121), Account (53213), Project (0000000) Program (D128) to cover the estimated annual cost of this contract of \$ 333,216.00; now, therefore, be it

RESOLVED: That the Council authorizes the City Administrator to award the contract for furnishing cost per copy rental of convenience copiers, in an annual amount not to exceed \$333,216.00, to the City of Oakland, according to specification No. 09-985-26-1 and the General Conditions thereof on file in the Contract and Purchasing Department, to Sharp Business Systems, Pleasanton, California, a corporation, according to its proposal filed with the City Clerk on September 17, 2007; and be it

FURTHER RESOLVED: That this resolution authorizes the City Administrator to award a contract to Sharp Business Systems, Pleasanton, California in an annual amount not-to-exceed Three Hundred, Thirty-Three Thousand, Two-Hundred Sixteen Dollars (\$333, 216.00) for cost per copy rental of convenience copiers for a two-year term with two (2) options to extend the contract for two (2) additional one-year terms at an annual rate of \$333,216.00, for a total not-to-exceed contract amount of One Million, Three Hundred Thirty-two Thousand, Eight Hundred sixty-four dollars and no cents (\$1,333,216.00) ; and be it

FURTHER RESOLVED: That the City Administrator, or his/her designee, is hereby authorized and empowered to approve any subsequent amendments to or extensions of said agreement with the exception of those related to an increase in compensation or the allocation of additional funds provided that such amendments or extensions shall be reviewed by the City Attorney and filed with the City Clerk's Office; and be it

FURTHER RESOLVED: That all contracts issued hereunder shall be reviewed and approved by the office of the City Attorney for form and legality and copies shall be placed in the files in the Office of the City Clerk.

IN AGENCY, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, QUAN, BROOKS, REID, CHANG, AND
PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California