

11566

DATE: June 4, 2010

TO: Board of Acquisition and Contract

FROM: Marguerite Beirne, Chief Information Officer

RE: AUTHORIZATION TO ENTER INTO AN AGREEMENT (IT-1169) WITH CONNECTICUT BUSINESS SYSTEMS, LLC (CBS) FOR MULTI-FUNCTION COPIER SERVICES FOR A FIVE YEAR PERIOD COMMENCING ON JUNE 6, 2010 AND TERMINATING ON JUNE 5, 2015 FOR A TOTAL NOT TO EXCEED CONTRACT AMOUNT OF \$3,400,000

BACKGROUND:

- The County's current five year agreement (IT-697) with Connecticut Business Systems, LLC ("CBS") for digital convenience copier services expires on June 5, 2010 and was authorized in a resolution approved on May 11, 2005 ("the May 11th resolution"). In addition to the attached resolution, there is a separate resolution before your Honorable Board, which was submitted on the same day, requesting approval to amend contract IT-697 with CBS by increasing the amount by \$650,000 to a new total not to exceed contract amount of \$4,050,000.
- Currently, we have a total fleet of approximately 410 multi-function copiers situated at various locations throughout the County. The County continues to require the functions (copy/print/scan/fax) provided by these devices. For this reason, on March 17, 2010, a Request for Proposals (RFP) for multi-function copiers was issued by the Department of Information Technology (DoIT) and posted on the County's website. The RFP sought proposals from qualified vendors for a replacement fleet of multi-function copiers with copying, printing, scanning and faxing capabilities, as well as related maintenance and support services.
- There were five respondents (see attachment) to the RFP which were due on April 9, 2010. DoIT formed a committee to review the proposals. Their basis for selection in awarding the contract was based on the proposal that best meets our specified requirements. While price was a factor in consideration of the proposals, it was not the sole criterion. The County evaluated all proposals on the basis of selection criteria that included, but was not limited to the following:
 1. Projected cost based on usage rates
 2. Potential for additional cost savings utilizing advanced software features
 3. Flexibility to upsize/downsize the number of multi function devices at will
 4. Shared services opportunities
 5. Security features
 6. Experience and competence
 7. Past performance and/or references

- After careful consideration, Connecticut Business Systems was the selected vendor. Therefore, we request authorization to enter into an agreement (IT-1169) with CBS for multi-function copier services, for a five year period commencing on June 6, 2010, for a total not to exceed amount of \$3,400,000, payable monthly pursuant to an approved schedule based on usage, subject to county appropriations.
- Even though the total not to exceed amount requested in the new CBS contract (IT-1169) remains the same as the current contract (IT-697) authorized initially in the May 11th resolution, we anticipate significant overall copier service savings to the county during the five year term going forward. The reason for this is the continuing removal of personal printers/fax machines and migration of network printers (see below); the cost of which is budgeted elsewhere, but will now shift to be included in the new CBS contract for multi-function copier services at a cheaper rate.

<u>Device</u>	<u>May 2008</u>	<u>May 2010</u>	<u>Reduction</u>
Personal printers	932	420	512
Network printers	709	558	151
Fax machines	221	82	139

- The removal of personal printers/fax machines and migration of network printers to multi-function copier machines began during the term of contract IT-697 with CBS. The following chart demonstrates the usage increase to contract IT-697 over the five year period:

	<u>Average Monthly Usage (\$)</u>	<u>BW Rate Per Click (\$)</u>	<u>Color Rate Per Click (\$)</u>
2005	\$ 55,016.00	\$ 0.01985	\$ 0.14000
2006	\$ 59,249.00	\$ 0.02056	\$ 0.14501
2007	\$ 64,118.00	\$ 0.02124	\$ 0.14982
2008	\$ 66,908.00	\$ 0.02202	\$ 0.15530
2009	\$ 80,576.00	\$ 0.02237	\$ 0.15775
2010	\$ 87,329.00	\$ 0.02237	\$ 0.15775

- We have negotiated rates with CBS that reflect a greater than 33% cost reduction over the prior contract, based upon the county's current multi-function copier usage levels. An example of this reduction is in the per copy rate as follows:

<u>Type</u>	<u>Contract IT-697</u>	<u>Contract IT-1169</u>
Black & white	\$.0223	\$.0148
Color	\$.1577	\$.0907

In addition, CBS will hold their rates constant for the five year term 2010-2015. We also anticipate significant additional cost reductions with the implementation of new advanced software features, as well as savings from further migration of users from more expensive network printers to less expensive multi-function copiers.

- In the county's continuing effort to reduce cost and promote shared services, the new agreement will include the opportunity for shared services to be extended to all interested local municipalities, affording them the same multi-function copier service/rates as those of the county.

- The multi-function copier devices that will be provided through the new agreement will have state-of-the-art security features (encryption/disc overwrites) which will guarantee against theft of data.
- The public purpose for the agreement requested in the attached resolution is efficient, cost effective multi-function copier services for county personnel. Copiers/printers/scanners/fax machines are standard office equipment that provide functions which staff rely on to perform their jobs.
- The goals and objectives for the requested agreement are procurement of multi-function copier services to be utilized by various county departments. The best interests of the County will be realized as we've shown fiscal responsibility in selecting CBS as the multi-function copier service provider. We have been satisfied with the services provided by CBS over the past five years. CBS's proposed rates, negotiated cost savings, advanced software features, flexibility to modify fleet size, shared services opportunities and state-of-the-art security features are beneficial to the County, and in turn beneficial to taxpayers. Services provided by CBS will be tracked and monitored by DoIT staff in conjunction with the department utilizing the multi-function copiers. If this contract were not approved, we would not be able to provide multi-function copiers to offices throughout the county, which would negatively impact job performance due to the inability to copy/print/scan/fax.

ACTION REQUESTED:

- Authorization to enter into an agreement (IT-1169) with Connecticut Business Systems, LLC (CBS), having an office located at 108 Corporate Park Drive, Suite 118, White Plains, New York 10604, for the provision of multi-function copier services, for a five year period commencing on June 6, 2010 and terminating on June 5, 2015, for a total not to exceed amount of \$3,400,000, payable monthly pursuant to an approved schedule based on usage, subject to County appropriations.

Accordingly, the attached resolution is submitted for your consideration.

APPROVED BOARD OF ACQUISITION & CONTRACTS
JANUARY 17-2010 - JOMAR VELAZQUEZ

RESOLUTION

UPON A COMMUNICATION FROM THE CHIEF INFORMATION OFFICER,
DEPARTMENT OF INFORMATION TECHNOLOGY, BE IT HEREBY

RESOLVED, that the County of Westchester is hereby authorized to enter into an agreement (IT-1169) with Connecticut Business Systems, LLC (CBS), having an office located at 108 Corporate Park Drive, Suite 118, White Plains, New York 10604, for the provision of multi-function copier services, for a five year period commencing on June 6, 2010 and terminating on June 5, 2015, for a total not to exceed amount of \$3,400,000, payable monthly pursuant to an approved schedule based on usage; and be it further

RESOLVED, this Agreement is subject to County appropriations; and be it further

RESOLVED, this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the county shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized to execute and deliver any and all documents and to take all action necessary and appropriate to effectuate the purposes hereof.

Account to be
Charged/Credited

Year	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
2010	101		1904 (BSA)			\$389,156
2011	101		1904 (BSA)			\$679,628
2012	101		1904 (BSA)			\$679,628
2013	101		1904 (BSA)			\$681,490
2014	101		1904 (BSA)			\$679,628
2015	101		1904 (BSA)			\$290,470

Budget Funding Year(s): 2010-2015 Start Date: June 6, 2010 End Date: June 5, 2015
(must match resolution)

Funding Source Tax Dollars: \$3,400,000
State Aid: _____
\$3,400,000 Federal Aid: _____
(must match resolution) Other: _____

APPROVED BOARD OF ACQUISITION & CONTRACT - 6-17-2010 - JOMARY WEIRA, SECRETARY

REQUEST FOR PROPOSALS
MULTI-FUNCTION COPIER
(COPIER/PRINTER/SCANNER/FAX)

Department of Information Technology

Issue Date: March 17, 2010

Reply Date: April 9, 2010

RESPONDENT LIST

1. Connecticut Business Systems (CBS)
108 Corporate Park Drive
White Plains, New York 10604
2. Canon Business Solutions, Inc.
4 Ohio Drive
Lake Success, New York 11042
3. Ricoh Business Solutions
925 Westchester Avenue
White Plains, New York 10604
4. Toshiba Business Solutions
575 Corporate Drive
Mahwah, New Jersey 07430
5. Konica Minolta Business Solutions USA, Inc.
200 White Plains Road, 5th Floor
Tarrytown, New York 10591

APPROVED BY BOARD OF ACQUISITION & CONTRACT - 6-17-2010 - JOMARY VIEIRA, SECRETARY