

#27401

DATE: June 5, 2012

TO: Board of Acquisition and Contract

FROM: Marguerite Beirne, Chief Information Officer

RE: RESOLUTION AUTHORIZING THE COUNTY OF WESTCHESTER TO ENTER INTO A LEASE AGREEMENT (IT-1244) WITH XEROX CORPORATION FOR DIGITAL COLOR PRINTING EQUIPMENT FOR A FIVE YEAR PERIOD COMMENCING JUNE 30, 2012 AND TERMINATING JUNE 29, 2017 FOR A TOTAL CONTRACT COST OF \$ 1,050,709.80

BACKGROUND:

- By a resolution approved on November 15, 2007, the County entered into a five year lease agreement with Xerox Corporation ("Xerox") for color printing equipment commencing November 26, 2007 and terminating November 25, 2012. The contract (IT-921) was subsequently executed and approved. Selection of Xerox and its products was the result of a careful review of the available solutions by the Department of Information Technology (DoIT) Staff and a determination by your Honorable Board that an agreement with Xerox Corporation would be in the best interest of the County.
- In order to upgrade the current digital color printers utilized by the County, a new lease agreement with Xerox Corporation is now proposed.
- Since 2007, technology has greatly improved the capabilities of digital color printing equipment. In order for the County to take advantage of this new technology, Xerox has offered to upgrade the remaining printing equipment under a new five year lease. The equipment upgrades will provide numerous benefits, including the following: increased speed capabilities to accommodate tighter print windows; improved bookletmaking capabilities with new square fold production bookletmaker; clear dry ink technology; FreeFlow Print Server software which includes new features, such as easy to use graphical user interface, increased Pad printing functionality and enhanced job previews; and increased security configurations. The new Xerox printing technology provides a unique standard of digital press printing in the industry, end to end solution, integrating black and white with color in one complete integrated document management, finishing, storage and printing solution. A review by the Department of Information Technology of printing solutions currently available finds that Xerox Corporation offers the most advantageous solution for the County's needs compared to those of other vendors capable of providing high volume printing capacity. Utilizing new Xerox equipment will provide higher printing speed capabilities and extended duty cycles and will also reduce training times as County personnel are familiar with the Xerox technology.
- In order to improve the efficiency of the Print Shop, the Department of Information Technology would like to terminate the current lease (IT-921) effective June 29, 2012 and commence the new five (5) year lease agreement (IT-1244) June 30, 2012. There will be no charge for the early termination of the Five Year Lease.

- The new upgraded equipment, with additional capabilities and increased speed, will cost the County \$ 17,511.83 per month, while the current equipment costs the County \$ 20,634.71 month, resulting in a net savings to the County of \$ 3,122.88 per month.
- The Department of Information Technology has been satisfied with the services and systems provided by Xerox in the past and desires to contract with Xerox for the upgraded digital color printing equipment.
- Your Honorable Board, by prior resolution, determined that application of the Westchester County Procurement Policy was not in the best interest of the County for the procurement of this equipment. This agreement is exempt from the Westchester County Procurement Policy under Section 3 (a) xxi.
- The goals and objectives of the proposed lease are to increase the efficiency of the County's Print Shop. It is in the best interests of the County to lease the print shop equipment as the materials produced in the County's Digital Print Shop support County operations and are also distributed to the public in order to make them aware of services and events provided by the County. The goals for the Print Shop operations will be monitored by tracking the use of the equipment to ensure that the County's needs are being met appropriately.
- The requested contract will have a public purpose since the materials produced in the County's Digital Print Shop are distributed to the public in order to make them aware of services and events provided by the County.

ACTION REQUESTED:

1. Authorization to terminate the existing five year Lease (IT-921) with Xerox Corporation for color printing equipment, effective June 29, 2012, with no termination costs incurred by the County;
2. Authorization to enter into a new five year lease agreement (IT-1244) with Xerox Corporation, having an office and principal place of business at 555 White Plains Road, Tarrytown, NY 10591, for the procurement of new color printing equipment as listed in Schedule "A" attached hereto, payable monthly in the amount of \$ 17,511,83, subject to County appropriations, for a term commencing June 30, 2012 and terminating June 29, 2017, with the option to renew the lease for two (2) additional five (5) years terms.

A resolution authorizing the above actions is submitted herewith for your approval.

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 terminate, at no cost to the County, a lease agreement (IT-921) with Xerox Corporation, having an office and principal place of business at 555 White Plains Road, Tarrytown, NY 10591, for the lease of color printing equipment, effective June 29, 2012, and be it further

RESOLVED: that the County of Westchester is hereby authorized to enter into a new agreement (IT-1244) with Xerox Corporation, having an office and principal place of business at 555 White Plains Road, Tarrytown, NY 10591, for the lease of digital color printing equipment, as listed in Schedule "A" attached hereto and made a part hereof, for a total contract amount of \$ 1,050,709.80, payable monthly in the amount of \$ 17,511.83, for a term commencing June 30, 2012, and terminating June 29, 2017, with the option to renew the lease for two (2) additional five (5) years terms; 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 and empowered to execute any and all documents necessary to effectuate the purposes hereof.

RESOLUTION

Account to be charged/credited:

Year	Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
2012	101	16	6000	4070		\$ 105,070.98
2013	101	16	6000	4070		210,141.96
2014	101	16	6000	4070		210,141.96
2015	101	16	6000	4070		210,141.96
2016	101	16	6000	4070		210,141.96
2017	101	16	6000	4070		105,070.98

Budget Funding Year(s): 2012-2017 Start Date: June 30, 2012 End Date: June 29, 2017
(must match resolution)

Funding Source: Tax Dollars: \$ 1,050,709.80

State Aid: _____

\$ 1,050,709.80 Federal Aid: _____

(must match resolution)

Other: _____

APPROVED BOARD OF ACQUISITION & CONTRACT - 06/29/2012 - JOMARY VIEIRA, SECRETARY

Schedule "A"
XEROX Print Shop Equipment Summary

Unit	Marketcode
1	COLOR PRESS 800
2	FFPS 1000
3	METER (NON-POOL)
4	COLOR PRESS 800
5	FFPS 1000
6	METER (NON-POOL)

APPROVED BOARD OF ACQUISITION & CONTRACT - 06/21/2012 - JOMARY VIEIRA, SECRETARY