

## PROCUREMENT SUMMARY

## HIGH SPEED/VOLUME COPIERS – METRO COPY CENTER / PS93957000

1.	<b>Contract Number:</b> PS93957000	
2.	<b>Recommended Vendor :</b> Canon Solutions America, Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP–A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> August 11, 2017	
	<b>B. Advertised/Publicized:</b> August 11, 2017	
	<b>C. Pre-Proposal/Pre-Bid Conference:</b> August 22, 2017	
	<b>D. Proposals/Bids Due:</b> September 14, 2017	
	<b>E. Pre-Qualification Completed:</b> Pending	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> November 29, 2017	
	<b>G. Protest Period End Date:</b> January 22, 2018	
5.	<b>Solicitations Picked up/Downloaded:</b> 14	<b>Bids/Proposals Received:</b> 8
6.	<b>Contract Administrator:</b> Rommel Hilario	<b>Telephone Number:</b> (213) 922-4654
7.	<b>Project Manager:</b> Raul Gomez	<b>Telephone Number:</b> (213) 922-4356

**A. Procurement Background**

This Board Action is to approve a contract award to lease equipment for Metro's Copy Center. The Contractor will be responsible for furnishing, at no additional cost, technical support, repair services by factory trained personnel, maintenance, initial and on-going training, applicable software and software licenses, hardware and hardware retrofits, equipment relocation/moving services, and all supplies throughout the term of the Contract. Board approval of contract awards is subject to resolution of any properly submitted protest.

Request for Proposal (RFP) No. PS43240 was issued as a competitive negotiated procurement in accordance with Metro's Acquisition Policy.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on August 23, 2017, provided pre-proposal documents including agenda, sign-in sheets, and planholder's list;
- Amendment No. 2, issued on September 1, 2017, extended the proposal due date.

A pre-proposal conference was held on August 22, 2017. A total of eight participants representing four firms were in attendance.

On September 14, 2017, Metro received eight proposals from four firms as follows, in alphabetical order:

1. American Business Machines
2. Canon Business Solutions Inc. (option 1)
3. Canon Business Solutions Inc. (option 2)
4. Canon Business Solutions Inc. (option 3)
5. Ricoh USA
6. Ricoh USA (cost reduction alternative)
7. Xerox Corporation
8. Xerox Corporation (alternate value)

As stated in the RFP under IP-09 Modifications and Alternative Proposals, firms were allowed to submit alternate proposals if the proposals offered technical improvements that were to the overall benefit of Metro. Three firms submitted alternate proposals as shown in the table below.

**B. Evaluation of Proposals**

The Proposal Evaluation Team (PET), consisting of staff from the Communications and General Services departments, was convened and conducted a comprehensive technical evaluation of the proposals received.

Proposals were evaluated based on the following criteria and weights:

- Degree of the Contractor’s (Firm and Staff) Skills and Experience 30%
- Effectiveness of Management Plan and Understanding of the Work 40%
- Cost Proposal 30%

Site visits were conducted by the PET at proposing firms’ local sites in order to field test the equipment proposed by the firms. Site visits were conducted between October 2, 2017 and October 13, 2017.

Following is a summary of the PET scores:

1	FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>Canon Business Solutions Inc. (option 1)</b>				
3	Degree of the Contractor’s (Firm and Staff) Skills and Experience	91.3	30.00%	27.4	
4	Effectiveness of Management Plan and Understanding of the Work	92.0	40.00%	36.8	

5	Cost Proposal	93.7	30.00%	28.1	
6	<b>Total</b>		<b>100.00%</b>	<b>92.3</b>	<b>1</b>
7	<b>Canon Business Solutions Inc. (option 2)</b>				
8	Degree of the Contractor's (Firm and Staff) Skills and Experience	91.3	30.00%	27.4	
9	Effectiveness of Management Plan and Understanding of the Work	86.0	40.00%	34.4	
10	Cost Proposal	95.4	30.00%	28.6	
11	<b>Total</b>		<b>100.00%</b>	<b>90.4</b>	<b>2</b>
12	<b>Xerox Corporation (alternate value)</b>				
13	Degree of the Contractor's (Firm and Staff) Skills and Experience	87.0	30.00%	26.1	
14	Effectiveness of Management Plan and Understanding of the Work	82.25	40.00%	32.9	
15	Cost Proposal	100.0	30.00%	30.0	
16	<b>Total</b>		<b>100.00%</b>	<b>89.0</b>	<b>3</b>
17	<b>Canon Business Solutions Inc. (option 3)</b>				
18	Degree of the Contractor's (Firm and Staff) Skills and Experience	91.3	30.00%	27.4	
19	Effectiveness of Management Plan and Understanding of the Work	79.8	40.00%	31.9	
20	Cost Proposal	97.9	30.00%	29.4	
21	<b>Total</b>		<b>100.00%</b>	<b>88.7</b>	<b>4</b>
22	<b>Xerox Corporation</b>				
23	Degree of the Contractor's (Firm and Staff) Skills and Experience	87.0	30.00%	26.1	

24	Effectiveness of Management Plan and Understanding of the Work	84.5	40.00%	33.8	
25	Cost Proposal	95.2	30.00%	28.6-5	
26	<b>Total</b>		<b>100.00%</b>	<b>88.5</b>	<b>5</b>
27	<b>Ricoh USA (cost reduction alternative)</b>				
28	Degree of the Contractor's (Firm and Staff) Skills and Experience	79.7	30.00%	23.9	
29	Effectiveness of Management Plan and Understanding of the Work	73.3	40.00%	29.3	
30	Cost Proposal	83.3	30.00%	25.0	
31	<b>Total</b>		<b>100.00%</b>	<b>78.2</b>	<b>6</b>
32	<b>American Business Machines</b>				
33	Degree of the Contractor's (Firm and Staff) Skills and Experience	76.3	30.00%	22.9	
34	Effectiveness of Management Plan and Understanding of the Work	70.8	40.00%	28.3	
35	Cost Proposal	84.5	30.00%	25.4	
36	<b>Total</b>		<b>100.00%</b>	<b>76.6</b>	<b>7</b>
37	<b>Ricoh USA</b>				
38	Degree of the Contractor's (Firm and Staff) Skills and Experience	79.7	30.00%	23.9	
39	Effectiveness of Management Plan and Understanding of the Work	76.0	40.00%	30.4	
40	Cost Proposal	66.6	30.00%	20.0	
41	<b>Total</b>		<b>100.00%</b>	<b>74.3</b>	<b>8</b>

**C. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon adequate competition, price analysis, fact finding, and technical evaluation which included a review of equipment specifications as stated in the Statement of Work. The ICE that was developed was based on the “full value” and not the “government pricing” which Canon and other bidders submitted. In addition, the ICE forecasted an increase in click charges but actual bid prices were more favorable. The SOW was also changed as we asked for higher speed equipment than previously requested for to handle our volume of printing. Actual pricing did not increase as expected.

<b>PROPOSER</b>	<b>AMOUNT</b>	<b>METRO ICE</b>	<b>AWARD AMOUNT</b>
Canon Business Solutions Inc. (option 1)	\$1,977,549.00	\$3,790,000.00	\$1,977,549.00
Xerox Corporation (alternate value)	\$1,853,080.00		
Canon Business Solutions Inc. (option 3)	\$1,893,688.20		
Canon Business Solutions Inc. (option 2)	\$1,942,083.00		
Xerox Corporation	\$1,947,250.00		
American Business Machines	\$2,193,018.10		
Ricoh (cost reduction alternative)	\$2,225,209.40		
Ricoh USA	\$2,783,018.10		

**D. Background on Recommended Contractor**

Since 1971, Canon Solutions America, Inc. (Canon) has been providing integrated systems technology that comprises one of the strongest solutions portfolios in the industry. Canon is a wholly-owned sales subsidiary of Canon U.S.A., Inc. operating within the United States. Canon Solutions America has been the equipment vendor for the Metro Copy Center for the past five years and they have been working closely with staff in support of the Copy Center, and have performed satisfactorily. Canon was the top ranked firm with the highest overall score based on their proposed equipment and key staff’s skills, experience, and performance throughout the term of the contract.