

**Board of Trustees Agenda Item**

**Board Meeting Date:** June 21, 2010

**Title of Item:**

Award a contract for Bid Document #1227, De Anza College 60-Month Lease/Purchase of Digital Printing Equipment

**Background and Analysis:**

Bid #1227 provides for the 60-Month Lease/Purchase of two Light Production Copier/Printers and for one High Speed Black & White Production Printer with Work-flow Solution. This equipment will be used by the De Anza College Printing Services Department and shall be replacing the following equipment: 2 – Xerox 2112 Lite Copiers and 1 – Xerox Nuvera 120 Digital Copier.

Currently the monthly volume for the De Anza Print Shop is an estimated 750,000 copies per month for the machines specified in Bid #1227.

The bid was legally advertised in the San Jose Post-Record on February 2, and February 9, 2010. The Invitation to Bid was sent to seven (7) vendors and was also posted on BidNet at [www.govbids.com](http://www.govbids.com). Bids were publicly opened and read on March 31, 2010 in the Purchasing Services office. Three (3) vendors submitted bids. Bid results are below:

**BID RESULTS**

<b>Vendor</b>	<b>Base Bid Proposal Amount</b>
<b>Xerox</b>	<b>\$572,907.00</b>
<b>Astro Business Technologies</b>	<b>\$587,157.01</b>
<b>Sharp</b>	<b>Non-Responsive</b>

Sharp submitted a non-responsive bid that is being rejected for the following reasons:

Sharp failed to comply with the Bid's General Terms and Conditions, paragraph 8, Bid Proposal Instructions in the following ways:

1. Sharp failed to correctly fill out the bid form. The extensions were incorrect, the sales tax was omitted, and the grand total for the bid price was blank.
2. Sharp proposed equipment that does not comply with the specifications.
  - a. Sharp's proposed machine copies at a speed of 110 pages per minute, whereas the bid specification required a speed of 120 pages per minute. Given the volume of the Print Shop, this is a significant difference.
  - b. Sharp proposed Off-line Tape Binding instead of the specified In-line Tape Binding. Off-line Tape Binding is not the equal of In-line Tape Binding. Off-line Binding requires an operator to manually take product from the copier and feed it into the Off-line binder. For example, an operator would gather a stack of printed books from the copier, carry them to another workstation, and feed them into the Off-line Binder. In contrast, the specified In-Line Binding saves staff time because the binding process is automated.

- c. Sharp's proposed machine has a paper capacity of 7,500 sheets, whereas the specification requires the paper capacity to be 11,000 sheets. According to De Anza College Printing Services, this is a significant difference.

The bid responses submitted by Xerox and Astro Business Technologies were evaluated and reviewed by Purchasing Staff and De Anza College Printing Services. The response by Xerox meets and complies with the bid specifications.

Vice Chancellor of Technology, Fred Sherman, reviewed the specifications in reference to data security and requested that Xerox implement certain security measures on the equipment to protect sensitive data. Mr. Sherman is satisfied with the security measures that Xerox will implement upon installation of the equipment as indicated in the letter dated June 1, 2010 attached. Additionally, at the end of this 60-month lease, Xerox shall remove the hard drives and give them to the District so that ETS can destroy the data.

Funding for the machines shall be from Revenue Making Fund 15.

**Recommendation:**

Authorize Carmen Redmond, Director of Purchasing Services, to award a contract in accordance with Bid #1227 to Xerox Corporation in the amount not to exceed \$572,907.00 including all shipping/handling and applicable sales taxes.

Submitted by:	Carmen Redmond x6166
Additional contact names:	Frank Greco x6284, Jose Menendez x8405
Is backup provided?	Yes

June 1, 2010

Mr. Frederick W. Sherman, Ph.D.  
Vice Chancellor, Educational Technology & Services  
Foothill – De Anza Community College District  
12345 El Monte Road  
Los Altos Hills, CA 94022

Dear Fred:

This letter is to be attached to Bid # 1227-60 month lease/purchase of digital printing equipment. Xerox will provide a signed document to the district that confirms that all security measures identified in Mr. Sherman's 5/27/10 email to Xerox will be implemented so that the De Anza print shop can obtain the level of security required. Xerox will provide De Anza a document upon completion of the installation and configuration.

This includes the following security measures for all the Xerox equipment installed:

- Set up the use of pin codes/passwords to access any user, technical or maintenance functions on the systems
- Set up network authentication, through authorized user name and password, to access any and all components of the systems across the network
- Set up the system to delete data from the system's storage device immediately after completion of a printing job by overwriting/reformatting the storage devices as in accordance to the latest National Institute of Standards and Technology (NIST) standards.
- Encrypt stored images to the 128-bit AES encryption standard for all documents that are not immediately overwritten.
- Disable booting from external media such as CD-Rom, floppy disk, flash drive, etc.
- Xerox will ensure that the storage devices are well secured so that they cannot be removed easily by an unauthorized person.
- Prevent the use of the system by unauthorized, network-based (email, Web, tec.) requests for services or access.
- Xerox is to remove the current hard drives (total of three) and leave them with DeAnza to destroy at no cost to DeAnza (cost of \$1,500).
- Xerox to install disk overwrite software on all storage devices in the new equipment at no charge to the customer (cost of \$4,000).



Xerox will sign off on this list once the equipment is installed and configured as the above outlines.

A handwritten signature in black ink, appearing to read "Pamela E. Perez", with a long horizontal flourish extending to the right.

Pamela E. Perez  
Account Manager  
Xerox Corporation

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
60-Month Lease/Purchase of Digital Printing Equipment  
Invitation to Bid Number 1227

**BID FORM**

**Please use this space to state electrical requirements per specification IA.**

- The 4112 Printer with an integrated controller, requires a dedicated 15 amp service and 208-240 VAC (Plug # 6-15R)
- 4112 Finisher requires dedicated 15 amp and 100-240 VAC (Plug # 5-15R)
- FreeFlow Print Server External Controller requires dedicated 15 amp and 100 -240 VAC (Plug # is 5-15R)

*Alternative Option:*

- The 4127 Printer with an integrated controller, requires a dedicated 15 amp service and 208-240 VAC (Plug # 6-15R)
- 4127 Finisher requires dedicated 15 amp and 100-240 VAC (Plug # 5-15R)
- FreeFlow Print Server External Controller requires dedicated 15 amp and 100 -240 VAC (Plug # is 5-15R)

**Please use this space to state electrical requirements per specification IB.**

- The 4112 Printer with an integrated controller, requires a dedicated 15 amp service and 208-240 VAC (Plug # 6-15R)
- 4112 Finisher requires dedicated 15 amp and 100-240 VAC (Plug # 5-15R)
- FreeFlow Print Server External Controller requires dedicated 15 amp and 100 -240 VAC (Plug # is 5-15R)

*Alternative Option:*

- The 4127 Printer with an integrated controller, requires a dedicated 15 amp service and 208-240 VAC (Plug # 6-15R)
- 4127 Finisher requires dedicated 15 amp and 100-240 VAC (Plug # 5-15R)
- FreeFlow Print Server External Controller requires dedicated 15 amp and 100 -240 VAC (Plug # is 5-15R)

**Please use this space to state electrical requirements per specification II.**

- Nuvera 120 Printer with insertion module and paper trays requires a dedicated 50 amp service and 187--240 Volts AC (Nominal) 50/60 Hz line service (Plug # 14-50R)
- Tape Bind requires dedicated 12 amp and 100-120 VAC – 6 Amp 220-240 VAC
- Freeflow Makeready PC requires dedicated 20 amp and 115 Volt

*Alternative Option:*

- The 4127 Printer with an integrated controller, requires a dedicated 15 amp service and 208-240 VAC (Plug # 6-15R)
- 4127 Finisher requires dedicated 15 amp and 100-240 VAC (Plug # 5-15R)
- Off-Line tape bind requires dedicated 7 amps and 115 Volt

FreeFlow Makeready PC requires dedicated 20 Amp and 115 Volt

**DELIVERY:** My promised delivery date is **7 -10 business days** calendar days After Receipt of Purchase Order.

**PAYMENT TERMS:** \_\_\_\_\_ % \_\_\_\_\_ days, Net \_\_\_\_\_ days.

Unless the vendor specifies otherwise above, the payment terms shall be Net 45 days.

**AMENDMENTS:**

Any changes to this document will be issued in writing as amendments number 1, 2, 3, etc.

I acknowledge receipt of the following amendment(s): 1, 2, 3, 4 \_\_\_\_, \_\_\_\_.

**PIGGYBACK:** Will prices quoted herein be available to other public agencies or school districts within California? ☒ yes ☐ no

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
60-Month Lease/Purchase of Digital Printing Equipment  
Invitation to Bid Number 1227

**BID FORM**

If yes, state period of time prices are valid: June 30, 2010

The bidders answer to the above question will not be a factor in the District's award decision.

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing proposal is true and correct.

**BID SUBMITTED BY:**

Company Name: Xerox Corporation

Authorized Individual (name): Pamela E. Perez

Signature:  Date: March 31, 2010

Street Address: 3400 Hillview - Building Two

City, State, Zip: Palo Alto, CA 94303

Phone: 650 857-0422 Federal Tax ID #: 160468020

Fax Number: 650 424-8006

E-mail: pamela.perez@xerox.com

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
60-Month Lease/Purchase of Digital Printing Equipment  
Invitation to Bid Number 1227

**BID FORM**

Bid is due no later than **2:00 p.m. March 31, 2010** at which time bids shall be publicly opened and read.

The undersigned, doing business under the firm name of **Xerox Corporation**, having carefully examined the Bid document for the proposed acquisition, and having been familiarized with local conditions affecting the performance of the Contract proposes and agrees to perform the contract, including all of the component parts, and to timely furnish all items called for, and to perform in strict conformity with the specifications.

**This is a lease with a government one-dollar buyout at the end of the lease.**

Item	Qty.	Unit	Description	Unit Lease Price	Extended Price
IA	60	Month	For One (1) each Light Production Copier/Printer monthly lease fee (Sales tax to be quoted separately on the line provided at the bottom of the bid form)	\$1,849.00	\$110,940.00

Price must include set-up and installation.

Copier usage: Approximately 150,000 copies per month

Describe the equipment you are proposing:

Make: **Xerox**

Model: **P4112CPC and FreeFlow Print Server**

Copy Allowance: Indicate here how many copies are included in the monthly lease fee: **150K**

Copy Overage: State charge per copy **\$ .0055**

Multiply copy overage charge by 150,000 minus the copy allowance and multiply the answer by 60 months. Please insert the answer on this bid form in the space provided to the right.

**\$0.00**

See example below:

Example: If Bidder A included 75,000 copies in it's monthly lease fee and bid on the copy overage charge at .0065, the computation would be as follows:  
 $\$.0065 \times (150,000 - 75,000) = \$487.50 \times 60 \text{ months} = \$29,250.00.$

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
60-Month Lease/Purchase of Digital Printing Equipment  
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**BID FORM**

Item Qty. Unit	Description	Unit Lease Price	Extended Price
IB. 60 Month	For One (1) each Light Production Copier/Printer monthly lease fee (Sales tax to be quoted separately on the line provided at the bottom of the bid form)	\$1,769.00	\$106,140.00

Price must include set-up and installation.

Copier usage: Approximately 150,000 copies per month

Describe the equipment you are proposing:

Make: Xerox

Model: P4112CPC and FreeFlow Print Server

Copy Allowance: Indicate here how many copies are included in the monthly lease fee: 150K

Copy Overage: State charge per copy \$.0055

Multiply copy overage charge by 150,000 minus the copy allowance and multiply the answer by 60 months. Please insert the answer on this bid form in the space provided to the right.

\$0.00

See example below:

Example: If Bidder A included 75,000 copies in it's monthly lease fee and bid on the copy overage charge at .0065, the computation Would be as follows :  
 $$.0065 \times (150,000 - 75,000) = \$487.50 \times 60 \text{ months} = \$29,250.00.$



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**BID FORM**

Item	Qty.	Unit	Description	Unit Lease Price	Extended Price
II	60	Months	For One (1) High Speed B/W Production Printer (or equal), with Work-flow Solution itemized separately, monthly rental fee	\$4,275.00	\$256,500.00

Price is to include set-up and installation  
(Sales tax to be quoted separately on the line provided at the bottom of the bid form)

Copier usage: Approximately 450,000 copies per month  
Describe the equipment you are proposing:

Make: Xerox

Model: Nuvera 120DPCS

Copy Allowance: Bidder Indicate here how many copies are included in the monthly lease fee 450K

Copy Overage: State charge per copy \$.0043

Multiply copy overage charge by 450,000 minus the copy allowance and multiply the answer by 60 months. Please insert the answer on this bid form in the space provided to the right.

\$0.00

See example below:

Example: If Bidder A included 225,000 copies in it's monthly lease fee and bid on the copy overage charge at .0065, the computation Would be as follows :  

$$$.0065 \times (450,000 - 225,000) = \$1462.50 \times 60 \text{ months} = \$87750.00.$$

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**BID FORM**

Item	Qty.	Unit	Description	Unit Price	Extended Price
III	1	ea.	Production Editing and Composition	\$847.00	\$50,820.00
Describe the equipment and software you are proposing:					
			Make: <u>Xerox</u>		
			Model: <u>FreeFlow Make Ready Software, Scanner and PC</u>		

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**BID FORM**

Item Qty.	Unit Description	Extended Price
IV. 1 lot	Training as per listed specifications in Specifications IV, Sections A, B and C on page on page 30.	\$ 0.00
	Sub Total (\$8,740.00 monthly)	\$524,400.00
	Sales Tax 9.25 percent (\$808.45 monthly)	\$48,507.00
	Grand Total: (All items I through IV) including copy overage charges and sales tax (9,548.45 monthly)	\$572,907.00