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DEPARTMENT OF
GENERAL SERVICES

OFFICE OF THE DIRECTOR

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CALIFORNIA

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August 18, 1992
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DIVISIONS:

COMMUNICATIONS
FACILITY MANAGEMENT
FLEET MANAGEMENT
PROCUREMENT SERVICES

City Council
Sacramento, California

Honorable Members In Session:

**SUBJECT: RECOMMENDATION FOR AWARD OF BID NO. 1564 FOR MICROFILM
READER/PRINTERS IN THE TOTAL AMOUNT OF 203,734.78**

SUMMARY

The Library and the Procurement Services Division of General Services recommend that the City Council award Bid No. 1564 for Microfilm Reader/Printers to Data-Image Systems Corp., in a total amount of \$ 203,734.78.

RECOMMENDATION

It is recommended that, in the City's best interest, the City Council accept the lowest responsible bid submitted per Chapter 57 of the Sacramento City Code, as follows:

<u>Bid</u>	<u>Bidder</u>	<u>Items Awarded</u>	<u>Contract Amount</u>
Microfilm Reader/ Printers (Attachment #1)	Data-Image Systems Corp. 601 Bercut Drive Sacramento, CA 95814	All	\$203,734.78*

*The City Council hereby authorizes subsequent purchase(s) of identical units under the same terms and conditions within 180 days of award providing such purchase(s) has/have been approved and budgeted by the City Council.



BACKGROUND INFORMATION

Microfilm reader/printers are used by library patrons to obtain information from periodicals and other reference materials that have been transferred to microfiche or microfilm.

Specifications were adopted by the City Council on May 5, 1992. and bids were called for by the City Clerk on May 27, 1992. A total of two (2) bids were received. Bay Microfilm Inc, submitted a bid for the Canon Model DM100 and Data-Image Systems submitted a bid for the Minolta Model RP605Z. Both machines were demonstrated to and evaluated by staff. The Minolta RP605Z and the Canon DM100 are both quality machines providing a quality print. The Minolta is designed for a public environment, the Canon is not.

The Minolta's functions are easier to learn and use, and will require little or no staff intervention. It is a self-contained unit with its supplies and default controls not accessible to the public. The Minolta is designed to minimize vandalism and misuse. Several Minolta machines are currently in use in the Sacramento Public Library, and they have proven to be user-friendly, dependable machines and we have experienced very little vandalism.

The Canon model DM100 is a very sophisticated reader/printer that is not as easy to operate. Therefore, a higher level of staff intervention will be required. The Canon model DM100 is a modular unit consisting of a reader and a laser printer designed to be placed side by side on a work surface. When the printer is incorporated into the type of work station specified, the printer becomes awkward to access. The default controls, paper cassette and toner cartridge are accessible to the public and therefore susceptible to theft and vandalism. The Canon model DM100 would require increased staff time and involvement, expensive replacement of stolen cassettes and cartridges, and repair costs for damages inflicted by vandals and curious patrons. Because the majority of the Microfilm Reader/Printers will be placed in unobserved, non-policed areas, it is imperative the integrity of each machine be conducive to the prevention of theft, abuse and vandalism. Additionally, the paper capacity of the Canon Model DM100 is less than the minimum 250 sheets required by the bid specifications, and does not offer a required universal carrier.

In addition to workmanship and ease of operation, staff also evaluated the operating costs associated with each machine.

Based on the manufacturer's list price for toner, the annual cost of operating supplies for the Canon is more than six times that of the Minolta. At the Library's average of 10,000 prints per machine per year, the annual cost for toner for 20 machines is \$8,600 for Canon versus \$1,400 for Minolta.

Cost per print. A Minolta toner cartridge produces approximately 2,000 prints at a cost of \$13.25 per cartridge, or **\$0.007 per print.**

A Canon laser printer cartridge produces approximately 3,000 prints at a cost of \$130 per cartridge, or **\$0.043 per print.**

A comparison of the annual cost of toner per machine based on 10,000 prints per year, is as follows:

$$\begin{aligned} 10,000 \times \$0.043 \text{ PER PRINT} &= \$430 \text{ Canon DM100} \\ 10,000 \times \$0.007 \text{ PER PRINT} &= \underline{70} \text{ Minolta RP605Z} \end{aligned}$$

$$\text{Toner Cost Difference} = \$360 \text{ per unit per year}$$

\$360 per machine per year times 20 machines equals a cost difference of \$7,200 per year for toner supplies.

Projected over the ten year expected life span of a reader/printer, the Minolta machines would save the City approximately \$72,000 in toner costs.

FINANCIAL CONSIDERATIONS

Funds for this purchase are available from Central Library's CIP Fund 704-500-QA12-4630, from Central Library's Fund 101-410-4142-4630, and from Cooledge Library's CIP Fund 704-500-BA51-4634.

POLICY CONSIDERATIONS

These recommendations are consistent with the requirements for competitive bidding as detailed in Chapter 57 of the Sacramento City Code.

MBE/WBE

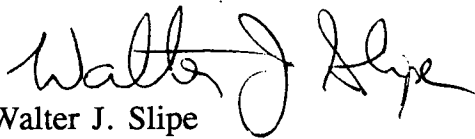
Nine (9) bids were solicited, of which two (2) were MBE/WBE. Of the two (2) responses received, none are MBE/WBE.

Respectfully Submitted,



For Frank Mugartegui
Director of General Services

Recommendation Approved:



Walter J. Slipe
City Manager

1 Attachment

Contact Person For More Information:
Karen Parrottino, Buyer II, 433-6240

For Council Agenda of:
August 18, 1992

**BID TABULATION SHEET FOR
BID NO. 1564 - MICROFILM READER/PRINTERS**

<u>Bidder</u>	<u>Total Bid</u>	<u>Payment Discount</u>	<u>Net Bid</u>
Bay Microfilm, Inc.	\$177,334.95 ⁽²⁾	-0-	\$177,334.95
Data-Image Systems Corp.	<u>\$203,734.78⁽¹⁾</u>	2% - 21	\$199,660.09

⁽¹⁾ Total adjusted for mathematical error

⁽²⁾ Did not meet specifications

Total Award of Contract To: Data-Image Systems Corp.
601 Bercut Drive
Sacramento, CA 95814

Original Estimated Cost: \$182,000.00

Total Bid Amount: \$203,734.78

Total Amount of Contract: \$203,734.78*

Using Department: Library

Due Date: May 27, 1992

*The City Council hereby authorizes subsequent purchase(s) of identical units under the same terms and conditions within 180 days of award providing such purchase(s) has/have been approved and budgeted by the City Council.

Total No. of Bids Solicited	No. of M/WBE Bids Solicited	No. of M/WBE Responses	Award to M/WBE Vendor?
9	2	0	No