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OPERATIONS COMMITTEE

RECOMMENDATION

The Committee concurred with the staff recommendation to approve a contract with Monroe Systems for Business, Los Angeles, the lowest responsible bidder under Bid No. 04-9521, covering the lease of medium and high volume copiers, subject to annual funding, covering a five-year period with an estimated first year cost of \$490,078, actual costs will be paid on a cost per copy basis, including all consumable supplies except paper.

OPS 4

OPS 4



Los Angeles County
Metropolitan
Transportation
Authority

July 11, 1995

818 West Seventh Street
Suite 300
Los Angeles, CA 90017

213.972.6000

TO: OPERATIONS COMMITTEE

THROUGH: FRANKLIN E. WHITE

FROM: JUDITH T. PIERCE

SUBJECT: CONTRACT AWARD - FOR IFB NO. 04-9521 FOR THE LEASE
OF 108 CONVENIENCE COPIERS

Mailing Address:
P.O. Box 194
Los Angeles, CA 90053

RECOMMENDATION

Consider Chief Executive Officer's report containing a recommendation to execute a contract with Monroe Systems for Business, Los Angeles, the lowest responsible bidder under Bid No. 04-9521, covering the lease of medium and high volume Copiers. Subject to annual appropriation of funding, the lease shall cover a five-year period with an estimated first year cost of \$490,078. Actual costs will be paid on a cost per copy basis, including all consumable supplies except paper.

DBE PARTICIPATION

The DBE participation goal for this procurement was 0%.

ALTERNATIVES

The alternative for the proposed action is to purchase copier units. Previous cost benefit studies have determined that this alternative is not cost effective.

IMPACT ON BUDGET AND OBJECTIVES

The funding for the first year of the lease agreement will be contained in the FY96 Operating Budget.

BACKGROUND

Copiers are required at all Authority locations to permit the duplication of documents and reports. Because usage requirements differ by location, the Authority required the provisions of up to 56 low volume copiers, 104 medium volume copiers, and 4 high volume copiers. The low volume copiers will be used at various field locations, while the medium and high volume copiers will be placed at the Headquarters Building. The analysis of low volume copiers has not been completed. A recommendation for this item will be prepared at the September Board Meeting. To eliminate additional costs as well as the receiving, stocking and distribution of supplies such as toner, dry ink or staples, the specifications required bidders to include all consumable supplies except paper. The specifications also required provision of an on-site service technician at the Headquarters Building.

The specifications stipulated that bids were to be based on a price per copy. The price per copy is to be firm for the first and second year of the contract. At the end of the second, third and fourth year period, the price per copy will be reviewed to determine if a price adjustment is warranted either up or down. If a price increase is indicated, the maximum amount allowed shall be based on the average Consumer Price Index for Urban Wage Earners and Clerical Workers for the Los Angeles area for the preceding twelve months. The Contractor is required to submit a detailed justification for any price increase and the Authority reserves the right to require an audit of pricing to determine that a price increase is justified.

A. Procurement Process

IFB No. 04-9521 was issued and advertised on March 15, 1995. A 0% DBE goal was assigned. The Notice of Availability was mailed to 105 firms. 27 firms requested the IFB documents. Twelve firms attended the Pre-Bid Conference held on March 30, 1995. On May 11, 1995, bids were received and opened from thirteen firms. Ten of the bidders provided the following estimated first year costs based upon estimated monthly copy volumes contained in the specifications. The two bidders which are listed last did not submit a bid for all three types of copiers and one firm submitted " No bid."

Bidder	<u>Bid Total</u>
Monroe Systems for Business	\$ 626,505.84
Digital Business Automation	\$ 656,545.00
Mita Copystar America, Inc. (Alternative #2)	\$ 745,046.00
Xerox (Alternative #2)	\$ 755,655.00
Xerox (Alternative #1)	\$ 779,587.00
Mita Copystar America, Inc. (Alternative #1)	\$ 809,084.00
Image IV Systems	\$ 811,661.40
Minolta	\$ 842,392.00
Eastman Kodak	\$ 869,008.80
MWB Business Systems	\$1,065,812.00
Business Machines Consultants, Inc.	\$1,141,083.60
Pitney Bowes	\$ 737,398.80
Oce USA, Inc. (Alternative #2)	\$ 967,203.60
Oce USA, Inc. (Alternative #1)	\$ 980,398.80

The bids were reviewed by staff. Bidders were evaluated according to compliance with the functional specifications, proposed cost per copy, and references. It was determined that the low bidder for medium and high volume copiers, Monroe Systems for Business, submitted a responsive bid which was in compliance with all bid requirements. Staff field tested the proposed equipment and found it to be in compliance with the Authority's primary functional specifications. The proposed cost per copy is as follows:

.01398 per copy for the medium volume copiers
.00998 per copy for the high volume copiers

Monroe Systems for Business did not offer the lowest price per copy for all three types of copiers. Digital Business Automation and Mita Copystar America offered lower prices for the low volume copiers and a recommendation on this item will be presented at the September Board Meeting.

Digital Business Automation	.0179 per copy
Mita Copystar America	.0168 per copy

However, Monroe offered the lowest total cost based on the Authority's estimated volume of monthly copies.

Operations Committee
July 11, 1995
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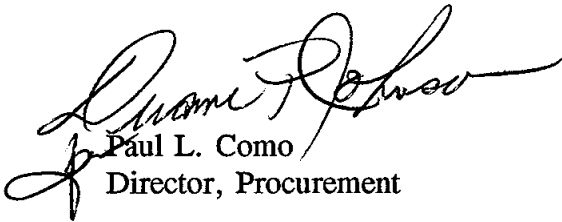
CONCLUSION

Monroe Systems for Business submitted the lowest responsive, responsible bid for the lease of 108 Convenience Copiers at an estimated first year cost of \$490,078. Subject to appropriation of annual funding, it is recommended that the Board approve award of a five year lease for convenience copiers to this firm.

Prepared by: Margaret E. Merhoff, Sr. Contract Administrator

Handwritten signature of Arthur Kimball, appearing to read "Arthur Kimball" followed by a vertical line and the word "for".

Arthur Kimball
Deputy Chief Administrative Officer
Materiel

Handwritten signature of Paul L. Como, appearing to read "Paul L. Como" in a cursive script.

Paul L. Como
Director, Procurement

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

ABSTRACT OF PROPOSALS TO SELL MATERIAL - BID TABULATION:

PAGE 1 OF 3

DATE 05-11-95
 BID NO. 05-9521

BIDS OUTS 03/15/95 TOTAL 27
 BIDS OPENED 05/11/95 TOTAL 12
 ADVERTISEMENT: NO BID 1
 DATE 03/15/95 NO RESPONSE 14
 NEWSPAPER Daily News
 NON-MINORITY BIDS SENT 22 REC'D 10
 MINORITY BIDS 5 20

QUANTITY	ARTICLES	PRICE	PRICE	PRICE	PRICE	PRICE	PRICE
	Annual Copies Low Vol.	\$136,428.24	128,665	120,758	168,457	168,199	145,916
	Annual Copies Med. Vol.	\$452,952	479,520	567,000	537,840	541,080	605,880
	Annual Copies High Vol.	\$ 37,125.60	48,360	57,288	49,368	70,308	75,288
	Total Est. Cost	\$626,505.84	656,545	745,046	755,655	779,587	809,084
	Lease of Copiers						
		(1)	(2)	(1)	(1)	(1)	(1)

ETHNIC BREAKDOWN

- (1) MAJORITY
- (2) BLACK
- (3) SPANISH SURNAME
- (4) ORIENTAL
- (5) AMERICAN-INDIAN
- (6) OTHER

I HEREBY CERTIFY Monroe Systems for Business AS BEING THE HIGHEST BIDDER AND RECOMMEND THE AWARD TO THEM FOR TOTAL BID PRICE OF \$626,505.84

DATE 07-13-95


 Margaret Merhoff, Sr. Contract Administrator

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

ABSTRACT OF PROPOSALS TO SELL MATERIAL - BID TABULATION:

PAGE 2 OF 3

DATE 05-11-95
 BID NO. 05-9521

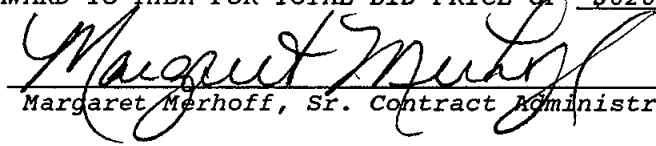
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QUANTITY	ARTICLES	PRICE	PRICE	PRICE	PRICE	PRICE	PRICE
	Annual Copies Low Vol.	\$162,089.40	170,356	198,388.80	211,328	213,483.60	144,478.80
	Annual Copies Med. Vol.	\$589,680	618,840	583,200	803,520	819,720	592,920.00
	Annual Copies High Vol.	\$ 59,892	53,196	87,420	50,964	107,880	No Bid
	Total Est. Cost	\$811,661.40	842,392	869,008.80	1,065,812	1,141,083.60	737,398.80
	Lease of Copiers						
		(6)	(1)	(1)	(1)	(1)	(1)

- ETHNIC BREAKDOWN
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 Margaret Merhoff, Sr. Contract Administrator

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

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		Oce U.S.A. Inc. Irvine, CA	Oce U.S.A. Inc. Irvine, CA	Konica Bus. Mach. Los Angeles			
QUANTITY	ARTICLES	PRICE	PRICE	PRICE	PRICE	PRICE	PRICE
	Annual Copies Low Vol.	No Bid	No Bid	No Bid			
	Annual Copies Med. Vol.	\$907,200	907,200				
	Annual Copies High Vol.	\$ 60,003.60	79,198.80				
	Total Est. Cost	\$967,203.60	980,398.80				
	Lease of Copiers						

ETHNIC BREAKDOWN

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DATE 07-13-95


 Margaret Merhoff, Sr. Contract Administrator

ATTACHMENT "A"
SECTION 4

POSSIBLE CONFLICT OF INTEREST DISCLOSURE FORM

Proposers/bidders must provide the following information for itself and any subcontractor/suppliers listed in the proposal/bid. This information is required to avoid conflict of interest regarding approval of contract award by the Authority's Board of Directors. (Use additional sheets if necessary)

If the prime, a supplier or manufacturer which is listed is a publicly traded company, please indicate the CEO for the company and note that the firm is publicly traded. Give the name under which the firm is traded and on which stock exchange.

A. NAME CONTRACTOR/PROPOSER (PRIME)

MONROE SYSTEMS FOR BUSINESS
Principal/Contractor

M. JOSEPH CUSHMAN (213)724-6621
Contact and phone number

MR. JEFFREY PICOWER
Partners/Officers/Stockholders

B. NAME OF SUBCONTRACTOR/SUPPLIER

N/A
Principle/Contractor

Contact and phone number

Partners/Officers/Stockholders

C. NAME OF SUBCONTRACTOR/SUPPLIER

N/A
Principle/Contractor

Contact and phone number

Partners/Officers/Stockholders

4-5622-001

DEC 15 1994



Request for Contract Action

Los Angeles County Metropolitan Transportation Authority

Leave blank for new procurements or write Contract Requisition Number. **OMB** Rev: _____
 For Amendments, enter original Contract Number. **45622-24**

REQUESTOR: Complete all information on form and deliver to Contract Administrator responsible for your department. Please write legibly.

Requested By: AL MOORE Division / Department: ADMINISTRATION/PRINTSHOP Telephone: 24450 Date: 11/28/94
 Contract Title: COPIER LEASE If an Amendment or Sole Source, enter Consultant's Name: _____ If an Amendment, enter Contract Amount: _____
 Contract Term: From: 8/1/95 To: 7/31/00 If an Amendment, enter Contract Number: _____
 of Previous RFCA: \$ _____
 If Contract Amount over \$1 Million, state amount listed in Capital Plan: \$ _____

Scope of Work: Briefly describe. Attach detailed scope. Lease of copy machines for the MTA to perform day-to-day operations
Purpose of Contract: (Complete Justification on last page.) _____ **Form #:** _____

EXPENDITURE DISTRIBUTION											Federally Funded: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Planning Activity	Fund	Proj # / AFE # / WO #	Cost Center	Object Code (Line Item)	%	Requested	Projected Current Year	Available Current Fiscal Year	Amount Over Budget, if any**	Grant #	MAC Code*	
5620PRI8		000	5622	51212		\$7,000,000	1,400,000					
(*) FTA-funded					TOTALS:	100%	\$7,000,000	1,400,000				
											Insurance: <input type="checkbox"/> Yes <input type="checkbox"/> No	
											If "Yes", certification expiration date _____	

1. Proj Mgr (PLN / OPS / ADMIN) / Prog Control (RCC): [Signature] Date: Bob Lewis
 2. Dept Dir or Mgr (PLN / OPS / ADMIN) / VP (RCC): _____ Date: _____
 3. Bdgt Mgr (PLN / OPS / ADMIN) / Dir Fin Admin (RCC): [Signature] Date: 12-15-94
 4. Procurement Panel Review Committee: _____ Date: _____

CONTRACT ADMINISTRATOR: Complete remainder of form. Process and distribute as listed at bottom of form.

Contract Administrator: _____ Contract / RFP / IFB #: _____ Amendment # / Change Order #: _____

AUTHORIZATION: _____

Contract Type: CPFF T & M CPIF FFP Other (List Below)

Procurement Type: Sealed Bid Competitive Negotiation Amendment / Change Order Sole Source (Complete Justification)

Description: Engrg / Arch / Constr Mgt Financial / Acctg / Admin Legal Other (List Below)

Non-Rail Equip / Mats / Supplies Rail Equip / Mats / Supplies Office Support / Maint / Repair

5. Director / Manager, Contracts: [Signature] Date: _____
 6. Executive Office (If Required): [Signature] Date: 12/12/94