

**SCHOOL BOARD MEETING:**

November 28, 2011

**SUBJECT:**

District Print and Copy Contract

**PRESENTERS:**

Josh Swanson &amp; Gary Kawlewski

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**SUGGESTED SCHOOL BOARD ACTION:**

Approval of Proposed Action

**DESCRIPTION:**

The Buffalo-Hanover-Montrose Schools adopted a central print shop model in 2005 to increase effectiveness and efficiency in the area of print replication. Ikon was awarded the contract based on the bid criteria to provide the equipment and support services. In 2009 a contract for centralized printer supplies was entered with Loffler. This drove our print supply costs down on over 185 devices at the time and standardized purchases, so we could take advantage of volume based negotiation. A large portion of our copy and multifunction print devices (MFPs) are now between six and thirteen years old.

Significant changes in technology have occurred and many of the machines are now showing their age and wear through increased service and repair costs. Consistent with past practice, we created a Request for Proposal (RFP) that intends to improve effective and efficient operations in the print and copy arena to support the district mission. To create volume and drive price down the print and copy supplies were combined. The RFP requested service on newly purchased devices, integration with current technology, supplies for all print and MFP devices, purchase and lease options, and behavior modification software to inform end users of pricing options when opting to print.

The Technology and Business Departments worked collaboratively to draft the RFP. The RFP was posted publicly and provided to four vendors who had previously shown interest including: Minnesota Office Technology Group (MOTG), Loffler, Ikon, and Metro Sales. MOTG, Loffler, and Ikon submitted proposals by the deadline. The proposals were reviewed and evaluated based on:

1. Price
2. Service, Parts, Technical Support
3. Contract Management
4. Technology Needs
5. Public School Experience

**PROPOSED ACTION:**

The review process established a clear choice of vendor whose proposal exceeded the others in every criteria, resulting in two recommended actions:

1. The BHM Schools should enter into an approximate 42-month agreement with Ikon starting on or about December 1, 2011. That would result in the following for the duration of the agreement:
  - a. Locked in pricing on various speed and volume multi-function print devices (MFPs/copiers)
  - b. Fix the price per copy for supplies and service on new MFPs
  - c. Replace the existing contract with Loffler for supplies on all printers in the district and service on select machines throughout the district, reducing print cost
  - d. Allow district sites or departments to either purchase the MFP for the negotiated price in the agreement or purchase a lease rental MFP through IKON as spelled out in the agreement
2. The Directors of the Business and Technology Departments are recommending that the board allow the administration to establish a budget line item of up to \$250,000 be set aside, providing a third option of lease financing the same MFPs to the sites or departments. This district lease program model and budget would allow sites or departments to pay the district back over a 42-month period. The district would charge a 1% interest charge per annum to the site or department to cover the internal cost of financing. The business office would be charged with tracking the copiers on the in-house lease program and would agree to make periodic reports to the board on the activity and status of the \$250,000 in-house copier lease program.

ATTACHMENT(S):