

DEPARTMENTAL INPUT
CONTRACT/PROJECT MEASURE ANALYSIS AND RECOMMENDATION

New OTR Sole Source Bid Waiver Emergency Previous Contract/Project No. Contract N/A
 Re-Bid Other LIVING WAGE APPLIES: NO

Requisition No./Project No.: RQET1700038 TERM OF CONTRACT One-time purchase WITH N/A OTR

Requisition /Project Title: RR Donnelley Detachers, IF-32 Interface and Maintenance and Support Services

Description: Information Technology Department is requesting to purchase two (2) RR Donnelley Detachers along with and IF-32 interface and 12 months of maintenance and support services. This acquisition will replace two existing detachers located at the ITD print shop.

Issuing Department: ITD

Contact Person: Sherry Y. Crockett

Phone: 305-375-4693

Estimate Cost: \$82,572

Funding Source: Internal Service Funds

ANALYSIS

Commodity Codes: 600-51

Contract/Project History of previous purchases three (3) years
 Check here if this is a new contract/purchase with no previous history.

	<u>EXISTING</u>	<u>2ND YEAR</u>	<u>3RD YEAR</u>
Contractor(s):		N/A	N/A
Small Business Enterprise:			
Contract Value:			

Comments:

Continued on another page (s): YES NO

RECOMMENDATIONS

	Set-aside	Sub-contractor goal	Bid preference	Selection factor
SBE				

Basis of recommendation:

Signed: *Sherry Y. Crockett, CIPP*

Date sent to SBD: *August 9, 2017*

Date returned to DPM:



**INTERNAL SERVICES DEPARTMENT
PROCUREMENT MANAGEMENT SERVICES**

Justification/Input Document for Non-Competitive Acquisition

It is the policy of Miami-Dade County to consistently purchase goods and services using full and open competition. The citizens of Miami-Dade County are best served when we make sound business decisions based on competitive bids or proposals. Early acquisition planning that includes consultation with Internal Service Department's procurement staff can help avoid delays and facilitates effective market research. However, there may be instances when other than full and open competition may be justified. When a user department(s) determines that other than full and open competition is necessary or in the best interest of the County, appropriate justification for that course of action must be submitted to ISD for approval and execution in order to waive the competitive bid/proposal process.

Please provide the information requested below to support the need and feasibility for waiving the competitive bid/proposal process:

Department:	Information Technology Department		
Contact Person:	Guillermo Paneque	Phone Number:	305-596-8614
Requisition No.:	RQET1700038	Estimated Value:	\$82,572.00
Proposed Vendor:	RR Donnelley		
Previous Contract Number:	One Time purchase	Previous Contract Value:	N/A

Purpose of the Purchase

Please describe your minimum requirements and the benefits of making the acquisition.

Minimum requirements:

ITD is requesting approval to purchase two new 3400-06 RR Donnelley Detachers along with an I-32 Interface of the same brand, and 12 months of maintenance support services that will commence 90 days after the purchase date. This acquisition will replace two existing old Moore detachers (models 3600 and 3610) located at the ITD print and mailing shop. The Moore detachers were donated to ITD by Jackson Memorial Hospital approximately 6 years ago after several years of usage. The Moore detachers are end of life per industry standard, making repairs problematic and expensive since spares parts are scarce.

ITD's print and mailing shop produces all of the court and jury summons, subpoenas, W-2 Tax forms, traffic and zoning notices, parking violations notices, Water and Sewer bills, TRIM notices, in addition to many other official Miami-Dade County mailings. Many of the aforementioned work have strict delivery deadlines and are time sensitive. Late delivery of this work can expose Miami-Dade County to legal ramifications.

The IF32 Interface allows ITD to connect in-line the new 3400-06 RR Donnelley Detacher with the recently purchased LM-30 Pressure Sealer of the same brand. This will tremendously boost the printing operation efficiency by streamlining the post-processing of printed documents by detaching and folding/sealing them at the Sealer's maximum capacity (up to 30,000 documents per hour). This will drastically reduce the labor and time needed as the tasks of detaching and folding/sealing would merge into one thus doubling productivity.



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Best Interest of the County / Uniqueness of Product

Please provide a detailed description as to why a waiver of formal bidding is in the County's best interest (e.g., product standardization, compatibility, proprietary access or distributorship, how vendor is uniquely qualified to provide the needed product or service, etc.). Please note that a lack of advance planning is not an acceptable justification for a non-competitive acquisition.

Why RR Donnelley?

On May 6, 2017 the County purchased the RR Donnelley LM-30 Pressure Sealer (\$84,448) that based on market research, was the top performing Pressure Sealer in the industry with a capacity of up to 30,000 docs/hr. Acquiring the new 3400-06 Detachers with the IF32 Interface from RR Donnelley allows ITD's print and mailing shop to align all the equipment to form the LM-30D combination to achieve the following benefits:

1. One unit that can continuously produce up to 30,000 docs/hour.
2. Eliminates adjustments between the Detacher and Pressure Sealer. Since the Detachers feed the Pressure Sealers, any difference between machines format and adjustments creates jams and other problems that negatively impact productivity.
3. New equipment will be maintained by the only authorized maintenance company Peak-Ryzex which is also the same vendor that provides maintenance and support to the Pressure Sealers. For the past 10 years, Peak-Ryzex has been performing this service for ITD with no performance issues.

Market Research

Please describe your market research and the results thereof. This should include a description of other, similar sources or products available in the market if any and why they are not acceptable.

Different companies offer detachers or full solutions (combination of detacher, interface and pressure sealers), but a) None are compatible with RR Donnelley, b) RR Donnelley is not sold through any other company or maintained but through their own organization and the only authorized company to offer support (Peak-Ryzex). See market research below:

1. State of New York contract - Includes RR Donnelley; however, this contract is \$4,217.25 more expensive than RR Donnelley's direct quote and only includes maintenance for the first 12 months of operation. Purchasing directly from RR Donnelley includes a 90 day warranty period prior to the start of the 12 month service agreement. Contract Manager Shrilata Nath (518) 474-3034
<https://www.ogs.ny.gov/purchase/spg/awards/2281222941CAN.HTM>
2. Formax: This Company offers full solutions or separate equipment such as the detachers FD676 comparable in capacity to the 3400-06, but they are not compatible with RR Donnelley equipment therefore, additional manual labor would be required and unstructured manual adjustments would be needed often, and an additional company would have to be brought into the equation for the maintenance and support. Contact Person: Peter Santine 1-603-516-2619 See Link for further detail.
<https://www.formax.com/solutions/mailling-solutions/continuous-form-bursters-0>
3. Paitec USA does not offer detachers or bursters only pressure sealers. See link for additional details. Company Phone 1-877-295-7325
<http://paitec.com/our-products/>
4. Info Seal: This Company does not sell detachers only pressure sealers. Contact Person Scott 1-201-669-2492
<http://www.pressuresealmachines.com/contact.php>



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PROCUREMENT MANAGEMENT SERVICES**

- 5. Company CheckSeal CTP Solutions: This Company does not sell detachers only pressure sealers
<http://www.checkseal.com/product-category/pressure-seal-equipment/formax-pressure-sealers/>

- 6. WALZ: This Company acts as a re-seller of Duplo and Formax Equipment neither one offer a compatible product to our RR Donnelley pressure sealers
<https://walzeq.com/products/mailling/document-handling/bursters-decollators/>

Proposed Actions

Please describe the actions the department will take to overcome the present barriers to competition prior to any future acquisitions of this product or service.

ITD Procurement strives to take full advantage of the competition process when it is in the best interest of the County to do so. In this case, it is in the best interest of the County to purchase the Detachers and Interface directly from the same manufacturer of the sealer (RR Donnelley). This will provide full compatibility between all equipment since it can be integrated with each other. This, eliminates adjustment issues between equipment, allowing to reach the maximum capacity on the sealer and reducing the operation cost.

Department Director's Approval

7/12/17

Date Approved

QUOTE

RR DONNELLEY

Date: 06/28/2017

Prepared for: Miami Dade County
 Attention: Guillermo Paneque &/or Juan Garcia
 5680 S.W. 87th Avenue
 Miami Fl 33173

Phone: (305)-596-8614/305-596-8419

Fax:

Email: Guillermo.Paneque@miamidade.gov

Juan.Garcia2@miamidade.gov

Prepared by: Mark A. Embden - Senior Acct Rep

RR Donnelley

1551 Sawgrass Corporate Pkwy # 108

Sunrise, Fl 33323

Phone: 954-514-5892

Fax: 954-514-5899

TERMS & CONDITIONS

Delivery by:
 Shipping via: Best Method
 F.O.B. Plant: Plant/Iowa City
 Terms: 30 days Net
 Other: Quote valid for 30 days

REVISED

ITEM	QUANTITY	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	2	Equipment - Item 3400-06 Moore Heavy Duty Burster/Detacher Freight to Miami Dade County (ITD) included 12 Month Service Agreement with next day business response time Monday - Friday from 8:00 AM - 5:00 PM. Note - 12 month maintenance starts after the 90 days warranty period (so total of 15 months)	\$32,407.00	\$64,814.00
			\$2,880.00	\$5,760.00
2	1	IF-32 Interface (#20186067) to attach LM-30 to Burster # 3400-06 Freight to Miami Dade County (ITD) included	\$11,998.00	\$11,998.00
				\$82,572.00

All equipment comes with a 90 day warranty that covers installation, training and parts and labor should the need arise. Terms for the warranty and 12 month service agreement are 8-5, M-F with next business day response time. Note that the 12 month service agreement starts after the initial 90 day warranty period.

Regards,

Mark A. Embden
 Senior Sales Rep.

P.O. Number: _____

Approved by: _____

Quantity: _____

Print name: _____

Prepared by: _____

Mark A. Embden

RR DONNELLEY

May 17, 2017

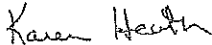
Juan P. Garcia
Computer Operations Supervisor
Miami Dade County
Information Technology Dept.

Dear Mr. Garcia:

The model LM-30 is one of the most productive folder/sealers on the market and is able to process documents at speeds up to 30,000 documents per hour. This folder/sealer and all accessories that can be added to the LM-30 are exclusive to RR Donnelley and is only available through our direct sales organization. These accessories would include the 3400 Heavy Duty Detacher and the IF-32 Bridge which, when added to the LM-30, make it possible to process continuous pressure seal forms.

Please feel free to contact me either via email or phone if I can be of any assistance to you. Thank you and we look forward to working with you in the future.

Sincerely,



Karen Heath
Pressure Seal Equip. Spec.
Ph 319-351-3530 x 1322
karen.heath@rrd.com

Non-Competitive IT Project Review

Directions for Completion: Departments requesting a non-competitive project review for new or existing Information Technology (IT) Systems are required to complete this questionnaire along with the appropriate Bid Waiver/Sole Source Justification Form. The response and explanation fields are to be fully completed to provide all background on the project. Please be as specific as possible and provide all backup documentation, doing so will expedite the review of your project.

The answers provided in the response field shall be according to the following format:

- "Y" - Yes
- "N" - No
- "N/A" - Not applicable

Current Contract Information:		
Questions:	Response:	Explanation:
When and how was the IT software/hardware initially purchased by the County? (Please provide contract number, award info, and applicable documentation)	N	There is no contract in place, the current detachers were initially donated by Jackson Memorial Hospital about 6 years ago after several years of usage.
When does the current contract expire?	N/A	We currently don't have a contract that allows us to procure new equipment.
If the contract has expired, how are/have you been maintaining the IT hardware/software? (Provide explanation and documentation if applicable)	N/A	
Was maintenance and support included in the current contract? If no, why not? Did it include assistance with transition to a new system?	No	Maintenance and support for the old equipment has been obtained through a maintenance agreement between the County and the only RFR Donnelley certified company to provide such services (Peak-Ryzex)
What other applications does the System Integrate/Interface with?	N/A	

Non-Competitive IT Project Review

<p>If a new system were deployed would it still be necessary to support the current system in parallel? How long would the legacy system need to be maintained and operational? Could historical data be stored in a data warehouse? What would be the cost?</p>	<p>N</p>	<p>If the new RR Donnelley detachers and interface were purchased we don't have to keep or maintain the old legacy detachers.</p>
<p>What is the purpose of this IT hardware /software? What is the expected life cycle?</p>	<p>Y</p>	<p>The RR Donnelley detachers along with the interface will be used by TTD print and mailing shop in the production of all court and jury summons, subpoenas, W-2 Tax forms, traffic, zoning and parking violation notices, WASA bills, TRIM notices in addition to any other official Miami Dade County mail. Last year 3.8 M notices were produced and mailed. Life cycle for these equipment is expected to be above 10 years.</p>
<p>Is this product an integral part of the County / Department's technical infrastructure? Does it perform system critical functions? If so, what?</p>	<p>N</p>	<p>No, this hardware is not considered an integral part of the County but as a standalone print shop for Miami-Dade County it does perform an essential function with sensitive mailings.</p>
<p>Are these solutions delivered through the Original Equipment Manufacturer (OEM) support? If no, is it delivered through authorized reseller or dealers?</p>	<p>Y</p>	<p>Yes, the OEM is the only distributors of RR Donnelley detachers 3400-06 and Interface IF32, no other available re seller.</p>
<p>On the current contract, is the User Access Program (UAP) and Inspector General being collected?</p>	<p>Yes</p>	<p>There is not contract at this point, but UAP applies to all purchase related to this solicitation.</p>
<p>Does the current contract require insurance? (Note: Any vendor required to come onto County property is required to have insurance throughout the term of the Agreement)</p>	<p>Yes</p>	<p>Yes, the maintenance service requires that the vendor comes onto the County's property to adjust/repair equipment.</p>
<p>Have you encountered any issues during the contract term regarding performance or compliance?</p>	<p>N</p>	<p>No</p>

Non-Competitive IT Project Review

Have you been satisfied with the performance of the vendor to date?	Y	Absolutely
Market Research:		
Questions:	Response:	Explanation:
Are there available equivalents to the product or service you are requesting for this new project? (Please provide documentation regarding your Department's market research)	YES	There are few competitors that offer standalone detachers and interfaces similar to the one we are purchasing but none of these equipment are compatible with the current RR Donnelley pressure sealer.
If there are available equivalents, why do these products not meet your needs? What are the differences? (Please be as specific as possible to provide sufficient detail to justify your request.)	No	The most critical issue is that equipment from other manufacturers are non-compatible with RR Donnelley equipment, therefore they cannot connect with each other to form a seamless unit to reach the maximum capacity of the sealer. In addition to that it will require the following a) An additional employee to move document loads between detachers and pressure sealer, b) Frequent adjustments to avoid jams on the sealer, c) An additional maintenance contract under a different vendor.
Can the vendor meet your long term needs? What research has been conducted to verify their ability to meet your expectation? (Please provide documentation, as applicable, to show your findings)	Yes	RR Donnelley provide the initial 3 months warranty free of any cost to the County and then at price of \$5,760.00 the following 12 months of service that includes labor and parts. Maintenance and support after that term can be done through RR Donnelley's only certified vendor Peak-Ryzex, who has been doing all our legacy maintenance for several years. For additional information on this vendor see their web link below: https://www.peak-ryzex.com/services/equipment-repair/paper-handling-equipment-repair/moore-paper-handling-equipment-repair/
What other vendors offer systems capable of providing the County with a solution?	No	None of the companies out there in the market provide equipment that are compatible with the RR Donnelley pressure sealer LM-50.
Are these solutions delivered through the Original Equipment Manufacturer (OEM) support or is it delivered through authorized reseller or dealers.	Yes	Yes, the solution is provided through RRR Donnelley which is the OEM of this products.

Non-Competitive IT Project Review

<p>Are dealers required to complete a certification program or are they restricted to levels of support set up by the vendor/itfy? <i>(I.e. gold plan vs. platinum plan -- gold allows vendor to maintain equipment but they do not have access to software upgrades or new system implementations. Platinum allows vendors to complete new product installs and all other support).</i></p>	<p>N/A</p>	
<p>What level support does the County require for this new project?</p>	<p>Yes</p>	<p>The County will require 12 months of maintenance and support after the expiration of 3 months warranty offered by RR Donnelley. This maintenance and support has been quoted by the vendor for the amount of \$5,760.00.</p>
<p>Are there other systems currently employed by the department / County that are similar that could provide a solution?</p>	<p>No</p>	<p>No</p>
<p>If a new system were deployed would it still be necessary to support the current system in parallel?</p>	<p>No</p>	<p>Once we purchase the new RR Donnelley detachers and the interface the County won't have to keep or maintain the old legacy equipment.</p>
<p>How long would the legacy system need to be maintained and operational?</p>	<p>N/A</p>	<p>Legacy detachers can be removed as soon as the new ones are installed and set.</p>
<p>Could historical data be stored in a data warehouse? What would be the cost?</p>	<p>N/A</p>	
<p>Has the replacement system been reviewed and approved by the IT Leadership Council?</p>	<p>Yes</p>	<p>Yes, it has been discussed and analyzed with the Leadership Council</p>

Non-Competitive IT Project Review

New Project Information:		
Questions:	Response:	Explanation:
What are the business goals and objectives of this new project? (Please be specific)	Yes	The business goal we are trying to accomplish is the replacement of two legacy Moore detachers with a more modern and capable RR Donnelley detachers along with an interface that will allow to assembly the detacher together with the RR Donnelley pressure sealer to increase the capacity and efficiency of ITD print and mailing shop.
What contract term would you like established? (Initial term plus any renewals)	Yes	1 year maintenance and support term to start after the first 90 days of purchase. Quote \$5,760.00 includes parts and labor.
What allocation is requested on this new project? What is the basis of the allocation request? (i.e. Vendor quote, market research, etc.) Please provide documentation if applicable.	Yes	The allocation requested is \$82,572. This include the equipment price and the 12 months maintenance and support. Vendor Quote Attached.
What is your funding source(s) for this new project?	Yes	ITD Internal Service Fund
Is this a grant-funded project? If so, please provide grant documentation outlining the expiration date and requirements.	No	
What budget year is it scheduled for?	Yes	FY 2016-2017
Is the allocation enterprise or department based?	Yes	Department Based
Scope Information:		
Questions:	Response:	Explanation:
Please provide a high level overview as to the scope of this project. A defined scope of work is to be provided with your submission.	Y	The Scope of this solicitation is to purchase two RR Donnelley detachers 3400-06 and an Interface IF-32 of the same brand along with 12 months of maintenance and support.

Non-Competitive IT Project Review

What is your Project Timeline?	Y	FY 2016-2017
What are the roles and responsibilities of the vendor?		The vendor will provide the equipment and the first 12 month of service and support after the expiration of the 3 months warranty
What are the roles and responsibilities of the County?		County will pay for agreed purchase and maintenance invoices.
Software Acquisitions:		
Questions:		
Is this a replacement of an existing software/system?	N/A	
Is the software perpetual? If so, please provide a copy of the license agreement with your submission.	N/A	
Do you require professional services on the new contract? (i.e. Training, custom programming, consulting)	N/A	
How is the software licensed? (i.e. Per User, Enterprise, Concurrent User, Site)	N/A	
How many users?	N/A	
Do you want/need the new contract to provide the option to purchase additional licenses or services during the term?	N/A	
Do you require training for users on the new contract? How many users are to be trained? Levels?	N/A	
Where is the software hosted?	N/A	
Do you have a disaster recovery plan? If no, is the vendor required to provide collocation under the new contract?	N/A	

Non-Competitive IT Project Review

What are your long term plans with the system?	N/A	
Do you have the source code?	N/A	
Would you like software escrow added to the new contract?	N/A	
What is the life expectancy of the software? What value does this project provide to your department?	N/A	
Hardware Acquisitions:		
Questions:	Response:	Explanation:
Was maintenance and support included in the original contract? If not, why?	N/A	We don't have a contract, purchase of the RR Donnelley pressure sealer was done through a Bid Waiver solicitation. Maintenance is provided through a maintenance agreement.
Did it include assistance with transition to a new system?	N/A	
Is this product an integral part of the County / Department's technical infrastructure?	No	No, this is not an integral part of the County or the Department's technical infrastructure.
What are the requirements for maintenance and support under the new contract?	Yes	Maintenance and support are provided by the vendor for the first 12 months of the purchase after the expiration of initial 90 days warranty period. Maintenance includes labor and parts.
Will the vendor be required to come onto County property to provide technical support/assistance? If not, how will this be accomplished?	Yes	For service and maintenance the vendor will require to come onto the County property and provide the service/adjustments.
What level of support is required by your Department under the new contract? (i.e. 24x7, on-site repair, parts, etc.)	Yes	Next Business day response.
Does it perform system critical functions? If so, what?	No	No.

Non-Competitive IT Project Review

<p>What would be the effect to the County if the maintenance / support services were not obtained?</p>	<p>Yes</p>	<p>The maintenance and support are part of the initial vendor's quotation, if maintenance is not provided to the point that equipment fails it will adversely affect the production and delivery of the time sensitive official County mail.</p>
<p>What other systems does the hardware integrate/interface with?</p>	<p>Yes</p>	<p>The RR Donnelley detachers and the interface are expected to connect with the recently purchased of the LM-30 sealer of the same brand.</p>
<p>Will the new contract require the vendor to maintain these integrations/interfaces with these systems also?</p>	<p>No</p>	<p>The interface is a bridge that conveys the document load between the detacher and the sealer in a seamless manner.</p>
<p>What is the life expectancy of the hardware?</p>	<p>Yes</p>	<p>The life expectancy of those equipment can be way over 10 years, depending on the level of maintenance and proper use.</p>
<p>What value does this project provide to your department?</p>	<p>Yes</p>	<p>This purchase as we mentioned before will add the following benefits to our Department: a) It will reduce down time of the ITD print and mailing shop; b) It will reduce the operation cost by eliminating the need of one employee to move documents between equipment; c) It will eliminate unnecessary adjustments between equipment of different brands; d) It will increase the number of produced and mailed documents.</p>
<p>Do you need to have the ability in the new contract to purchase additional hardware components, parts, or services? If so, please provide a detailed explanation as to your Department's requirements.</p>	<p>No</p>	<p>No Required.</p>