



INNOVATION TECHNOLOGY DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: July 3, 2018

Subject

Agreement with Pacific Office Automation for the technology refresh of the City's multifunctional printers.

Recommended Action

Authorize the City Manager to approve a purchase order for fifteen (15) multifunctional printers in the amount of \$128,305 and authorization to enter into a one-year Service Agreement, with four (4) one-year extension options payable at an annual rate of \$25,000 for a five-year amount of \$125,000 with Pacific Office Automation for a total amount of \$253,305.

Description

Staff recommends entering into agreements for the purchase and ongoing maintenance of the City's multifunctional printers (MFP) in line with the City's technology refresh program. The agreements include:

- National Association of State Procurement Officials contract (Exhibit A) that provides contract terms and minimum discount for MFP purchase.
- One year Service Agreement with four (4) one-year extension options

MFP equipment will be procured from Pacific Office Automation under the National Associations of State Procurement Officials (NASPO) cooperative agreement. The NASPO cooperative purchasing program facilitates public procurement solicitations and agreements. By working with NASPO, states and local governments are able to leverage their spending through a single solicitation with the best value and superior contract terms.

The proposed hardware and service agreement will provide effective and efficient solutions to the City's print, scan, copy and fax requirements.

Discussion

Background

In April, 2012, the City entered into a 60-month agreement with De Lage Landen Public Finance LLC/Sharp for the lease of new MFPs. These lease agreements have now expired and MFPs are covered by month-to-month agreements. MFP equipment recommended for replacement is in poor condition and near end of useful life.

Market Scan and Research

Innovation Technology staff along with other departments administration staff (MFP Team) researched vendor options and narrowed the choice to Sharp, Konica Minolta, Kyocera and Toshiba. Staff reached out to other municipalities, professional organizations, and research/advisory groups on their experiences with each vendor relating to quality of the product, support, and overall value.

Product Assessment/Evaluation

Upon selection of the four vendors, the MFP Team attended onsite demonstrations of the proposed solutions offered by Sharp, Konica Minolta, Kyocera, and Toshiba. Staff evaluated the performance features of each product.

Proposed Solution

After assessment and evaluation, staff choose the Sharp MFP solution. Three Sharp MFP vendors were asked to provide pricing for purchase and ongoing maintenance. Pacific Office Automation was selected based on lowest price and references. NASPO contract requires a minimum 62% discount off of MSRP pricing. Staff was able to negotiate a 78% discount of the total equipment cost. The equipment purchased are subject to the NASPO contract limited warranties and standard terms as specified in the contract. Ongoing maintenance is based on the number of pages generated within a month period.

Sustainability Impact

The proposed solution is anticipated to achieve more efficient power usage with newer energy-efficient standards and industry certifications that promote efficient energy use and power delivery. In turn, this will allow less waste heat generation, reducing carbon footprint through decreased energy usage.

Fiscal Impact

Full funding is allocated in the FY17-18 and FY18-19 budgets for the Innovation Technology Department to procure the MFPs. Maintenance of the MFPs is included in all department budgets for Fy18-19.

FY17-18 Innovation Technology Infrastructure Budget

| Fiscal Year | G/L Account | Available Budget |
|-------------|--------------------|------------------|
| FY17-18 | 610-34-310 900-945 | \$75,000 |
| FY18-19 | 610-34-310 900-945 | \$95,000 |

Prepared by: Bill Mitchell, CTO

Approved for Submission by: David Brandt, City Manager

Attachments:

NASPO Contract

Service Agreement