



City of San Antonio

Agenda Memorandum

File Number: 16-4205

Agenda Item Number: 5.

Agenda Date: 9/8/2016

In Control: City Council A Session

DEPARTMENT: Finance

DEPUTY CHIEF FINANCIAL OFFICER: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Annual Contract for Printers for the Print Shop

SUMMARY:

This ordinance authorizes a contract with Konica Minolta Business Solutions U.S.A., Inc. for the replacement of three network printers for the City's Print Shop for an initial cost of \$177,460.36, funded from the Finance Department's Procurement Fund. This contract will allow for maintenance and support for 60 months upon acceptance of the equipment, for a total contract cost of \$619,960.36. Maintenance and support will be an operating fund expenditure subject to future budget approvals.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is a proposal submitted by Konica Minolta Business Solutions U.S.A., Inc. for the replacement of three network printers consisting of one black and white device with a booklet maker, one black and white device without a booklet maker, and one color device. These network printers will be used by the Finance Department's Print and Mail Operations Division to meet the City's general print and document imaging needs and printing of forms for a total cost not to exceed \$619,960.36. The Print Shop operates on a full-time basis and produces approximately 8 million copies in-house annually in support of City departments. The goal of the Print Shop is to complete print requests within three days of receipt.

The current print equipment has been in service since January 2009 and has exceeded its life expectancy of five years. These printers are being replaced to maintain a high level of availability to meet the City's printing needs. In addition, the new equipment will be delivered with upgraded software which will reduce the processing time of print jobs. The existing printers being replaced will be sold through a separate bid process.

The City issued a Request for Competitive Sealed Proposal (RFCSP) for "Annual Contract for the Printers for the Print Shop" on March 08, 2016, with a submission deadline of May 13, 2016. The requirements in the RFCSP were developed and reviewed with the assistance of the Finance Department's Print and Mail Operations Division. Four proposals were received. All proposals were found to be responsive to the requirements listed in the RFCSP and were approved for distribution and evaluation.

The evaluation committee consisted of representatives from the Finance Department, Purchasing Division, Fiscal Division and the Print and Mail Operations Division. The Finance Department, Purchasing Division assisted by ensuring compliance with City's procurement policies and procedures.

The evaluation of each proposal response was based on a total of 100 points; 30 points allotted for experience, background, qualifications; 40 points allotted for proposed plan; 15 points allotted for Small Business Enterprise Prime Contract Program and 15 points allotted for Respondent's price schedule.

Each respondent was provided the opportunity to demonstrate proposed print equipment to City staff. Upon completion of the demonstrations, the evaluation committee met to evaluate the proposals received on July 20, 2016. Upon completion of the evaluation process, Konica Minolta Business Solutions U.S.A., Inc. received the highest ranking and was recommended for award.

The term of this contract is 60 months upon acceptance of the equipment.

ISSUE:

This contract will provide the Finance Department's Print and Mail Operations Division with a contractor that will provide three network printers: two black and white and one color, which are necessary to carry out the general printing needs of City departments. Previously, the National Institute of Governmental Purchasing (NIGP) conducted a business process review and noted the Finance Department's Print and Mail Operations Division Finance Department's Print and Mail Operations Division was operating at a high level of proficiency and should be retained to provide printing services to the City.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee applied the Small Business Enterprise (SBE) Prime Contract Program to this solicitation.

This contract is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies contracts, so no preference was applied to this contract.

ALTERNATIVES:

Should this contract not be approved, the City could continue to utilize the current print equipment that was purchased in January of 2009. However, the turnaround time for print services would increase due to more frequent maintenance requirements on aging equipment. Another option would be to outsource print services; however costs are significantly higher depending on the scope of service. Outsourced print services also require additional lead time and notification.

FISCAL IMPACT:

Staff is requesting City Council authorization of an agreement with Konica Minolta Business Solutions U.S.A., Inc. for purchase of three network printers, configuration, implementation, training and ongoing support to replace the current printers for a total cost not to exceed \$619,960.36. The total cost includes a one-time capital expenditure of \$177,460.36 for the purchase of the three printers funded from the Finance Department's Procurement Fund and \$442,500.00 for maintenance and support for a period of 60 months.

RECOMMENDATION:

Staff recommends the approval of this contract with Konica Minolta Business Solutions U.S.A., Inc. to provide three network printers for a total cost not to exceed \$619,960.36.

This contract was procured by means of a Request for Competitive Sealed Proposal and a Contracts Disclosure Form is required.