



# City of San Antonio

## Agenda Memorandum

**File Number:** 15-4831

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**Agenda Item Number:** 5.

**Agenda Date:** 10/15/2015

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

Annual Contract for Lease of Multi Function Devices

**SUMMARY:**

This ordinance authorizes a contract with Xerox Corporation to provide City Departments with leased multi function devices for an estimated amount of \$1,100,000.00 annually. The initial term for this contract will begin upon City Council approval through September 30, 2018, with two additional one-year renewal options. Funds are not encumbered by this ordinance. All expenditures will be in accordance with the City's adopted budget approved by City Council.

**BACKGROUND INFORMATION:**

Submitted for City Council consideration and action is a proposal submitted by Xerox Corporation to provide the City with a contract for the lease of approximately 400 color / black & white multi function devices to be used by the City's various departments to meet their general print and document imaging needs for an estimated annual cost of \$1,100,000.00.

The City issued a Request for Competitive Sealed Proposal (RFCSP) for "Annual Contract for the Lease of Multi Function Devices" on January 9, 2015, with a submission deadline of February 27, 2015. The requirements in the RFCSP were developed and reviewed with the assistance of the Office of Sustainability. Four proposals were received. All proposals were found to be responsive to the requirements listed in the Request for Competitive Sealed Proposal and they were approved for distribution and evaluation.

The evaluation committee consisted of representatives from the Information Technology Services Department which reviewed the proposals submitted. The Finance Department, Purchasing Division assisted by ensuring compliance with City procurement policies and procedures. The proposals were evaluated based on the firm's

qualifications, experience, and quality of service, previous performance, proposed plan and price schedule.

During the proposal evaluation phase, the IT Project Management Office developed test scripts for a thorough evaluation of each machine. Personnel from multiple departments including the Office of the City Clerk, Municipal Courts, San Antonio Metro Health District and the San Antonio Police, Fire and IT Services Departments ran through the scripted tests. The units were tested and reports were provided to the evaluation team on the following criteria: copying, use of log-in screen, scanning, faxing and printing from a workstation. Additional tasks in the testing environment also included printing to different sized pages, testing email functionality, saving to disk and network drives as well as a basic understanding of the finisher.

The evaluation of each proposal response was based on a total of 100 points; 35 points allotted for experience, background, qualifications; 40 points allotted for proposed plan; and 20 points allotted for respondent's price schedule. Five preference points were allotted for respondents that committed to serve as mentors in the City's Mentor Protégé Program established through the SBEDA ordinance.

The evaluation committee met on June 25, 2015 to score the four responsive proposals received. After committee review and discussion, individual technical scores were submitted and the aggregate scores were presented. After a recommendation for award was agreed upon by the evaluation committee, the pricing and SBEDA scores were revealed. Xerox Corporation received the highest ranking and was recommended for award by the evaluation committee.

Personnel from the Finance Department, Purchasing Division, Information Technology Services Department, IT Project Management Office and the City Attorney's Office developed the tasks for, reviewed and approved the Statement of Work from Xerox Corporation. The resulting contract and Statement of Work will allow the City to phase in the new multi function device technology.

The initial term for this contract will begin upon City Council approval through September 30, 2018, with two additional one-year renewal options. The contract term will provide the City with an ordering period for the lease of multi function devices. All devices will be leased for a term of 60 months with no cancellation option. This contract does allow for the cancellation of leased devices due to the non-appropriation of funds as required by statute.

**ISSUE:**

This contract will provide City Departments with a contractor that will provide multi function devices. The City currently has 415 multi function devices placed within City Departments. The Information Technology Services Department will evaluate estimated usage with each requesting department in order to reduce the total number of devices deployed through attrition and consolidation to approximately 400.

This contract is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program does not apply to non-professional service contracts, so no preference was applied to this contract.

This solicitation appeared on the Annual High Profile Contract Report on November 18, 2014.

**ALTERNATIVES:**

Should this contract not be approved, all departments would be required to process individual procurements for

the lease of multi function devices. Processing individual procurements will affect the cost of services due to non-contract pricing.

**FISCAL IMPACT:**

Funds are not encumbered by this ordinance. All expenditures will be in accordance with the department's adopted budget approved by City Council. The estimated cost for this contract is approximately \$1,100,000.00 annually. Purchases made by the Departments are as needed and dependent upon availability of funds within their adopted budget.

**RECOMMENDATION:**

Staff recommends the approval of this contract with Xerox Corporation to provide all City Departments with leased multi function devices at an annual cost of \$1,100,000.00.

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