



City of San Antonio

Legislation Details (With Text)

File #: 20-7464

Type: Purchase of Equipment

In control: City Council A Session

On agenda: 1/14/2021

Title: Ordinance approving a contract with Konica Minolta Business Solutions U.S.A., Inc., for a total estimated cost of \$762,680.00, which includes the purchase of four network printers for \$306,630.00 and maintenance and support services for a three-year term with the option to extend for two additional one-year periods for an estimated total cost of \$456,050.00. Funding for purchase of the printers and the first year of services is available from the FY 2021 Adopted Purchasing & General Services Fund budget. Funding for subsequent years of maintenance and support is subject to appropriation as part of the annual budget process. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Score Matrix, 2. RFCSP - City Tower Printers for Print Shop, 3. Signature Page - Konica Minolta, 4. Contracts Disclosure Form, 5. Draft Ordinance, 6. Ordinance 2021-01-14-0002

Date	Ver.	Action By	Action	Result
1/14/2021	1	City Council A Session	adopted	Pass

DEPARTMENT: Troy Elliott

DEPARTMENT HEAD: Finance

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Procurement of Production Printers for City Print Shop

SUMMARY:

An Ordinance authorizing a contract with Konica Minolta Business Solutions U.S.A., Inc. for an estimated total cost of \$762,680.00 which includes the purchase of four network printers in the amount of \$306,630.00 and a maintenance and support agreement for a three-year term with two one-year extensions (total of sixty months) for an estimated total cost of \$456,050.00. Funding for purchase of the printers and year one of the service agreement are available from the FY 2021 Adopted Purchasing & General Services Fund budget. Funding for subsequent years of the service agreement are subject to appropriation as part of the annual budget process. The City will receive a \$30,000.00 trade-in offer for the sale and removal of the existing printing equipment.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the offer submitted by Konica Minolta Business Solutions U.S.A., Inc. (Konica Minolta) in the estimated total amount of \$762,680.00. This contract will provide four (4) network printers consisting of two (2) black and white devices and two (2) color devices for a total cost of \$306,630.00. These network printers will be used by the Finance Department's Print and Mail Operations Division to meet the City's general printing and document imaging needs. The Print Shop operates on a full-time basis and produces approximately 8 million copies in-house annually in support of City departments.

The current printing equipment has been in service since September 2016 and has a life expectancy of five years. The Print and Mail Operations relocation from Riverview Towers to the City Tower presents a unique opportunity to replace the existing equipment with upgrades while reducing overall relocation expenses. The proposal submitted by Konica Minolta includes a \$30,000.00 trade-in offer for the sale and removal of the existing printing equipment from Riverview Towers. 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.

This contract will also include a maintenance and support agreement for a three-year term with two one-year extensions (a total of sixty months) for a total estimated cost of \$456,050.00.

The City issued a Request for Competitive Sealed Proposal (RFCSP) for printers for the City Print Shop on October 30, 2020, with a submission deadline of December 8, 2020. 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 and deemed eligible for evaluation.

The evaluation committee consisted of representatives from the Finance Department, Office of Sustainability, San Antonio Metro Health Department and the Information and Technology Services Department. 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; 10 points allotted for Small Business Enterprise Prime Contract Program and 20 points allotted for Respondent's price schedule.

The evaluation committee met on December 15, 2020 to evaluate the proposals received. Upon completion of the City's standard evaluation process, Konica Minolta Business Solutions U.S.A., Inc. received the highest ranking and is recommended for contract award.

The initial term of this agreement is three years upon acceptance of the equipment. Two additional one-year renewals shall also be authorized by this ordinance.

ISSUE:

This contract will provide the Finance Department's Print and Mail Operations Division with four network printers which are necessary to carry out the general printing needs of City departments.

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 printing equipment that was purchased in September of 2016. 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 which may result in increased costs to City departments and 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 four network printers, configuration, implementation, training and ongoing support to replace the current printers in the estimated total amount of \$762,680.00. This includes a one-time capital expenditure of \$306,630.00 for the purchase of the four printers and an estimated cost of \$456,050.00 for maintenance and support for a period of three years with two one-year renewal options (a total of sixty months). Funding for the capital purchase and year one (eight months) of maintenance service are available in the FY 2021 Adopted Purchasing & General Services Fund budget. Subsequent funding for the maintenance agreement is contingent upon City Council approval of future fiscal year budgets.

RECOMMENDATION:

Staff recommends the approval of this contract with Konica Minolta Business Solutions U.S.A., Inc. for purchase of four network printers, configuration, implementation, training and ongoing support to replace existing print equipment for an estimated total cost of \$762,680.00. As part of this contract, the City will receive a \$30,000.00 trade-in offer for the sale and removal of the existing print equipment.

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