



# City of San Antonio

## Agenda Memorandum

**File Number:**15-3463

---

**Agenda Item Number:** 6.

**Agenda Date:** 6/18/2015

**In Control:** City Council A Session

---

**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Print Management Solutions for San Antonio Public Library

**SUMMARY:**

- A. Submitted for Council consideration and action is an ordinance authorizing the City to participate in an Interlocal Cooperative Purchasing Agreement with the Region 16 Education Service Center Purchasing Cooperative known as TexBuy.
- B. Additionally, this ordinance will authorize a contract with Konica Minolta to provide a Print Management Solution for the San Antonio Public Library. The total cost of this contract for the lease and maintenance of equipment is \$1,425,854.00 over a 60 month term. This contract will be funded through estimated revenue of \$1,636,384.00 generated by the photocopying, scanning and faxing services utilized by San Antonio Public Library patrons.

**BACKGROUND INFORMATION:**

- A. Texas local governmental entities are authorized by the "Texas Interlocal Cooperation Act," Chapter 791 of the Texas Government Code, to participate in cooperative purchasing programs with other local governmental entities. Cooperative purchasing allows the City of San Antonio to achieve cost savings through bulk volume discounts by combining purchasing power. Also, participating governmental entities and vendors realize additional cost savings through a single bid process, eliminating the need for multiple bids by such entities and multiple responses by vendors. Contracts are procured on a competitive basis in the accordance with the law applicable to the party responsible for the procurement.

TexBuy has implemented a cooperative purchasing program, making its contracts for commodities and

services available to its cooperative members at no cost. The City desires to enter into an Interlocal Agreement with the Region 16 Education Service Center Purchasing Cooperative known as TexBuy in order to make use of such contracts that would be of benefit to the City. Any such commodity or service contract would be brought before City Council for approval prior to use in the same manner as contracts procured by the City.

- B. The San Antonio Public Library (SAPL) has identified the need to improve public service through an enhanced pay for print and copy solution, as well as its public computer access and print releasing services. Currently, two vendors provide different services to meet a single need which is the ability to print from San Antonio Public Library computers. The incumbent print management provider, DocuMation, has been providing service on a coinbox collection / revenue sharing model since 2007. The contract with DocuMation will expire on November 1, 2015. The incumbent provider for the public computer access & print releasing solution, Comprise, has been providing services since 2011. The contract with Comprise will expire term on April 29, 2016. Currently, patrons are able to print/copy documents in black and white only, and are not able to scan or fax documents. Additionally, patrons currently have to navigate through two separate payment solutions - one for copying/printing and another for fines/fees on patron accounts.

San Antonio Public Library staff worked with ITSD staff assigned to this project. Requirements were drafted by the Information Technology Project Management Office. A Request for Offer was solicited from both DocuMation and Konica Minolta for a turnkey print management solution which included public computer access and print release. Both offers were reviewed for functionality against all published requirements in addition to compliance with established City of San Antonio IT, Security and Finance guidelines.

The offer submitted by Konica Minolta provided the San Antonio Public Library with the best Print Management Solution after a thorough evaluation. It includes PC reservation/session management; access to an increased range of office services (e.g. black & white copying/printing, color copying/printing, scanning, and faxing); and a convenient means for patrons to pay Library fines and fees through one portal (i.e. through self-service kiosks or a website).

This project will be accomplished in two distinct phases. Phase I will preceded by the build out of IT infrastructure. Phase I will be completed upon successful multi-function device placement and successful launch of the public computer access and print release management solution. Phase II will be completed upon successful deployment of Payment Card Industry (PCI) and Europay Visa MasterCard (EVM) compliant payment kiosks.

## **ISSUE:**

The San Antonio Public Library is seeking City Council approval of a contract with Konica Minolta. SAPL has identified the need to improve the current photocopying and print management service through an enhanced pay for print and copy solution, as well as its public computer access and print releasing services. This will be accomplished through a fully integrated turnkey solution including the following three components for main and branch locations: an office print and copy equipment management solution; a payment management solution, and a public computer access & print release management solution. A new system will result in an enhanced office print and copy solution that addresses current and emerging patron demands and increases system reliability for San Antonio Public Library. With the implementation of the latest standardized version of Pharos software offered through this contract, SAPL will fulfill existing system requirements and support additional custom requested requirements as needed now and in the future.

The TexBuy cooperative purchasing program complies with the Texas Interlocal Cooperation Act, Chapter 791.025 of the Texas Government Code and all agreements offered through TexBuy have been competitively bid and are in compliance with Texas Statutes.

Due to the lack of small, minority, and/or women businesses available to provide these goods, the SBEDA Program did not apply 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.

This purchase is made in accordance with the TexBuy AEPA Purchasing Cooperative, IFB#013.1.

#### **ALTERNATIVES:**

Should City Council not approve the contract, the Library will have to consider an alternative method of providing public photocopying service. Any alternative method will undoubtedly result in a lapse of service for an unspecified time. The public computer session management will revert to a process utilized in the past whereby staff would announce when a public computer is available and the timing of the computer session monitored manually. The printing process for the public computers would also revert to a manual payment process. Patrons would also not gain access to highly sought office services like scanning, faxing, and color copying/printing.

#### **FISCAL IMPACT:**

The total lease and maintenance costs for this contract will be \$1,320,854.00. Additional monthly charges for per copy click costs of \$0.00495 per each black and white copy and \$0.04 per each color copy will also be charged. The total contract cost inclusive of estimated click charges will be \$1,425,854.00 which will be funded through estimated revenue of \$1,636,384.00 generated by the photocopying, scanning and faxing service utilized by San Antonio Public Library patrons. The following table summarizes the expenditures and revenues from the Konica Minolta contract:

**5-Year Expenditures and Revenues from Konica Minolta Contract**

	<b>Expenditures</b>	<b>Revenues</b>
FY 2015	\$21,400	\$25,000
FY 2016	259,759	300,000
FY 2017	292,263	315,000
FY 2018	292,263	330,750
FY 2019	292,263	347,288
FY 2020	267,907	318,347
Total	<b>\$1,425,854</b>	<b>\$1,636,384</b>

**RECOMMENDATION:**

Staff recommends approval to participate in an Interlocal Cooperative Purchasing Agreement with the Region 16 Education Service Center Purchasing Cooperative known as TexBuy and the approval to enter into a contract with Konica Minolta to provide the San Antonio Public Library with Print Management Solutions for a total cost of \$1,425,854.00

This contract is procured by means of cooperative purchasing and a Contracts Disclosure form is not required.