



Staff Report

TO: City Council
FROM: Edgar Trenado, Information Technology Manager
DATE: June 16, 2020
SUBJECT: Award 36 Month Lease Agreement to Konica Minolta Business Solutions U.S.A, Inc. for Multifunction Copiers via Cooperative Agreement

Background and Analysis:

The City of Beaumont has 8 copiers and 1 large size plotter that were acquired via a request for proposal in 2016. The plotter lease expires in 2022 and the copier lease expires July 2020. City staff would like to align these two leases and recommends that the lease for the copiers be extended to coincide with the 2002 expiration date for the plotter. This will allow the City to then initiate a RFP in 2022 for all of the items and, hopefully, achieve better pricing.

The attached cooperative agreement with Konica Minolta will provide and consolidate cost for the copiers and co-term any leases under current contract. It will improve quality and reliability of hardware by obtaining new high-performance copiers, improve service and support with minimal downtime.

The pricing provided by Konica Minolta was secured via competitive bidding process conducted by Sourcewell, a cooperative purchasing program in which the City is a member of (Attachment A). This allows the City to take advantage of the cooperative purchasing award and competitive contract pricing providing some significant cost savings. It also locks in the pricing for the next 36 months.

KONICA	Current Monthly	Proposed Monthly
Current Monthly Copier Lease	\$1605.00	\$1,400.00
HP Pagemwide Plotter	\$557.00	\$557.00
Monthly Maintenance Expense	\$1,323.00	\$1,300.00
Current Monthly Total	\$3,485.00	\$3,257.00
Yearly Cost Total	\$41,820.00	\$39,084.00

Fiscal Impact:

The annual maintenance and lease cost, effective July 1, 2020, is already covered in the operating budget for Fiscal Year 2020-2021. The fiscal impact is approximately \$39,084 with a total savings of \$2,736 from the expiring contract. There could be additional costs should the City exceed the total copies allocated for the fiscal year as specified in the attached contract. This agreement is for 36-months which can produce a savings of over \$8,208.00 over the life span of the agreement.

Recommended Action:

Award a subscription agreement to Konica Minolta Business Solutions U.S.A, Inc. for digital multifunction copiers, and
Authorize the Mayor to execute the agreement on behalf of the City of Beaumont.

Attachments:

- A. Sourcewell agreement
- B. Proposal for digital multifunction copiers from Konica Minolta
- C. Contract