



## Legislation Text

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**File #:** ID 17-189, **Version:** 1

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### AGENDA INFORMATION SHEET

**DEPARTMENT:** Materials Management

**ACM:** Bryan Langley

**AGENDA DATE:** February 21, 2017

#### **SUBJECT**

Consider adoption of an ordinance awarding a contract for a twenty-four (24) month lease of approximately fifty-nine (59) black and white digital copiers for various City of Denton departments as awarded by the State of Texas Department of Information Resources (DIR) through the Go DIRect Program, Contract Number DIR-TSO-3101; providing for the expenditure of funds therefor; and providing an effective date (File 5280 awarded to Canon Solutions America, Inc. in the not-to-exceed amount of \$132,000).

#### **FILE INFORMATION:**

This item is for a twenty-four (24) month lease of approximately fifty-six (56) black and white digital copiers and three color copiers for various City departments. The City's previous three (3) year copier lease contract expired in August 2016 and has been extended on a monthly basis while staff obtained competitive pricing for a new contract. Staff has now negotiated a Best and Final Offer with our current vendor, Canon Solutions America, Inc. (Canon) through the State of Texas Go DIRect Program, Contract Number DIR-TSO-3101 which resulted in a monthly savings of \$2,502 and an annual savings of \$30,024 (Exhibit 1).

The attached proposal from Canon (Exhibit 2) includes the following:

#### Equipment:

- 59 digital copiers/multi-function devices
  - \$5,375 per month/\$64,500 per year
  - Estimate of \$3,000 for billable overages
  - Total 24-month lease-\$132,000
- Maintenance/service
  - Includes all staples, toner, supplies, and service
  - Overages @ \$.0068 for black & white; \$.05 color
- Installation & training for new equipment

The proposal from Canon Solutions America, Inc. also offers the following benefits:

- Cost savings from current contract price of approximately \$60,048 over the term of the lease
- Hard drive security on all units

- Toner cartridge return program
- Toner container recycling/collection program

#### **PRIOR ACTION/VIEW**

Contract# 5280 was approved by City Council on July 9, 2013.

#### **RECOMMENDATION**

Approve a 24 month copier lease contract extension with Canon Solutions America, Inc. in the not-to-exceed amount of \$132,000.

#### **PRINCIPAL PLACE OF BUSINESS**

Canon Solutions America, Inc.  
Chicago, IL

#### **ESTIMATED SCHEDULE OF PROJECT**

This is a 24-month lease extension agreement which will become effective upon City Council approval. Installation of the five new copiers will occur late February or early March 2017.

#### **FISCAL INFORMATION**

Funding for the contract is budgeted in Reprographics Operating Fund account 103100.6306. Copier usage is charged via expense allocation to each department on a monthly basis.

#### **STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

<b>Related Key Focus Area:</b>	<b>Organizational Excellence</b>
<b>Related Goal:</b>	<b>1.1 Manage financial resources in a responsible manner</b>

#### **EXHIBITS**

Exhibit 1: Equipment and Pricing List  
Exhibit 2: Agreement  
Exhibit 3: Ordinance

Respectfully submitted:  
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Customer Service Manager

For information concerning this acquisition, contact: Tonya Demerson at 349-8129.