

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	33766	Agenda Number	51.
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Meeting Date:	June 26, 2014
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Department:	Purchasing
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Subject

Authorize award, negotiation, and execution of a 60-month citywide service contract through the State of Texas Department of Information Resources with XEROX CORPORATION for the lease, installation and maintenance of multifunctional devices and managed services in an amount not to exceed \$11,609,400 with one 60-month extension option in an amount not to exceed \$12,269,782 for a total contract amount not to exceed \$23,879,182.

Amount and Source of Funding

Funding in the amount of \$580,470 is available in the Fiscal Year 2013-20104 Operating Budget of various City Departments. Funding for the remaining fifty-six months of the original contract period and extension option is contingent upon available funding in future budgets.

Fiscal Note

There is no anticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Cooperative Purchase, best-evaluated offer received.
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Prior Council Action:	
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For More Information:	Danielle Lord, Corporate Contract Compliance Manager, 512-974-2298
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Additional Backup Information

This contract is for the citywide lease, installation, and maintenance of multifunctional devices and managed services. On September 23, 2013, the City Manager signed the Sustainable Printer and Paper Policy Administrative Bulletin requiring a citywide reduction of printers, copiers, fax machines, scanners, eliminating desktop printers. Prior to the Bulletin, several departments began to consolidate their printing, faxing and scanning requirements. Austin Energy (2010), Austin Police Department (2011), Neighborhood Housing (2011), Austin Convention Center (2011), City Hall (2011) and Health & Human Services (2011) have already transitioned to using multifunctional devices and managed services.

Multifunctional Devices (MFD) are machines that provide network printing, copying, scanning, and faxing functions. Using multi-function networked printers, as opposed to individual desktop printers, have multiple benefits including savings in operating costs, energy and materials. As the City phases out the majority of its aging fax machines, desktop printers, old network printers, and scanners, a cost savings is achieved through the consolidation of redundant rental contracts, invoices, a wide variety of supply inventories (toner, drums, ink cartridges, waste containers) and the ability to create city-wide default settings on the machines.

With this consolidation, the City of Austin will decrease the consumable costs associated with these services, as well as the maintenance contract cost, electricity usage and CO2 emissions; fulfilling the goals outlined in the Bulletin. In addition, converting to more energy efficient devices that contain fewer parts and higher durability components will maximize the device's useful life and minimize the end of life impacts on the environment.

This contract will provide managed services to pool both black/white and color impressions that are shared citywide. This pooling will protect the City against overage charges for departments that periodically exceed the traditional single-machine impression limit. Additional services provided will include help-desk support, proactive alerting for repair calls, automated supply ordering, automated meter read submission, user training, printing supplies, recycling of printing containers/cartridges, and automated usage and maintenance reporting. All of the aforementioned services are not offered in the city's current lease and rental contracts.

The Purchasing Office, Communications & Technology Management and the Office of Sustainability issued a Request for Offer for proposals from DIR vendors representing all the major manufacturers of MFD devices. Five vendors' submitted proposals based on sample installation sites and finalists were required to provide a presentation and onsite demonstration of the devices proposed.

The proposals were evaluated by an evaluation panel consisting of representatives from Communications & Technology Management, Austin Water Utility, the Office of Sustainability, Library, Health & Human Services and Systems Security. The evaluation criteria included the proposed concept and solution, implementation plan, prior experience, personnel qualifications, sustainability, economic efficiency and local business presence. The vendor selection was based on their proposed solution, implementation schedule and timeline, experience and qualifications, total evaluated cost, and local business presence. After an extensive evaluation, the evaluation panel has recommended a contract be awarded to Xerox Corporation. This contract will provide citywide leasing, installation, maintenance, and managed services of citywide MFDs.

Xerox Corporation is contracted through the State of Texas, Department of Information Resources (DIR) to provide document imaging devices and services to public entities statewide as a result of a competitive bidding process. This contract will represent over 10% savings from the previous method of procuring copying services, equipment, and consumables.