



## AGENDA MEMORANDUM

Action Item for the City Council Meeting June 22, 2021

**DATE:** June 15, 2021

**TO:** Peter Zaroni, City Manager

**FROM:** Josh Chronley  
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Assistant Director, Contracts and Procurement

### Amendment No. 4 to Lease of Citywide Copiers

#### **CAPTION:**

Motion authorizing an amendment to the service agreement for lease of citywide copiers with Toshiba American Business Solutions, Inc. to increase the value by \$408,279.41, which includes the allowance for color copies and the amount remaining for copier modifications and accessory add-ons; with a revised value of this agreement not to exceed \$984,897.00 for an estimated potential total of \$1,401,537.00 if all options are exercised; with FY 2021 funding in the amount of \$216,201.30 funded through various departments.

#### **SUMMARY:**

This motion authorizes an amendment to Service Agreement No. 2007 with Toshiba America Business solutions, Inc. to increase the Agreement value to \$984,897.00, which reflects a 36-month color copy allowance of \$404,460.00, and the remaining 24-month service fee for copier modifications completed in Amendment 1 totaling \$68,312.16. Although the color copies were shown in the Agreement pricing sheet, they were not picked up in the cost of the original Agreement total value. Changes were also made to the features, types and sizes of machines at the request of departments after the contract was awarded.

#### **BACKGROUND AND FINDINGS:**

In December 2018, the City executed a new copier lease agreement with Toshiba America Business Solutions, Inc. for 109 copiers in accordance with DIR Cooperative for a total amount of \$13,276.91 monthly service charge, with unlimited black/white copies, and per copy charge of \$0.0335 for color copies. The agreement was for base machines without upgrades. The original term of Service Agreement No. 2007 is a three-year contract, with two one-year additional term periods. Therefore, the potential value of this

contract is for an amount not to exceed \$1,410,537.00 if the additional two one-year term periods are exercised. The contract allows for a 40 to 51 percent discount of the original contract value for the two one-year option terms.

Departments have since requested additional functions including upgrades to color printing, large capacity drawers, additional sized drawers, fax capability, hole punching, and stapling. Each feature increased the monthly service charge. Copiers were updated at the following locations and departments: City Hall, Development Services, Municipal Court, Police Department, Fire Department, Animal Control, Parks & Recreation, Gas Department, Public Works-Storm Water, Health Department, Asset Management-General Services, Solid Waste Operations, Utilities Department and Engineering.

The contract was procured through the State of Texas Department of Information Resources (DIR) contract number DIR-TSO-3024. Contracts awarded through the DIR have been competitively procured and are in compliance with Texas local and state procurement requirements. Several providers were evaluated under the DIR to select the one providing the lowest cost to the City.

**ALTERNATIVES:**

An alternative would be to limit the number of copy machines citywide. However, this will limit the resources regarding copy machines availability and related features required by the departments for their operational needs.

**FISCAL IMPACT:**

The fiscal impact in FY 2021 for the various departments the third-year of the three-year service agreement is an amount not to exceed \$216,201.30 for the 36-month color copy allowance and the remaining 24-month service fee accrued from copier modifications and accessory add-ons approved in Amendment 1. The remaining cost will be budgeted through the annual budgeting process.

**FUNDING DETAIL:**

Fund:	5010	Stores Fund
Organization/Activity:	40010	Print Shop
Mission Element:	172	Customer Service
Project # (CIP Only):	N/A	
Account:	530160	Rentals
Cost:	\$105,691.18	

Fund:	1036	Municipal Court Technology Fund
Organization/Activity:	10481	Municipal Court Technology Reserve
Mission Element:	231	Dockets Records FineColl Wrts
Project # (CIP Only):	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$10,923.51	

Fund:	1020	General Fund – Police
Organization/Activity:	11700	Police Administration
Mission Element:	151	Respond to Law Enforcement Calls
Project # (CIP Only):	N/A	

Account:	530160	Rentals
Cost:	\$4,673.69	
Fund:	1020	General Fund - Police
Organization/Activity:	11720	Criminal Investigation
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$7,309.36	
Fund:	1020	General Fund – Police
Organization/Activity:	11740	Uniform Division
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$2,076.00	
Fund:	1020	General Fund – Police
Organization/Activity:	11750	Central Information
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$5,828.63	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	12900	Office of the Director
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs Activ.
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$2,028.08	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	12910	Park Operations
Mission Element:	141	Manage & Maintain Parks & Rec Facilities
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$1,527.57	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	12940	Beach Operations
Mission Element:	141	Manage & Maintain Parks & Rec Facilities
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,843.10	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	13031	Broadmoor Sr Ctr
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs & Activ
Project # <b>(CIP Only)</b> :	N/A	

Account:	530160	Rentals
Cost:	\$692.00	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	13032	Ethel Eyerly Sr Ctr
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs & Activ
Project # <b>(CIP Only)</b> :	N/A	
Account:	53160	Rentals
Cost:	\$692.00	
Fund:	1020	General Fund – Police
Organization/Activity:	11770	Vehicle Pound Operation
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$692.00	
Fund:	1020	General Fund – Police
Organization/Activity:	11790	Police Training
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,029.68	
Fund:	1020	General Fund – Police
Organization/Activity:	11830	Criminal Intelligence
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$790.08	
Fund:	1020	General Fund – Fire
Organization/Activity:	12000	Fire Administration
Mission Element:	093	Respond to Emergency Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,513.47	
Fund:	1020	General Fund – Fire
Organization/Activity:	12030	Fire Training
Mission Element:	093	Respond to Emergency Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$747.12	
Fund:	1020	General Fund – Fire
Organization/Activity:	12050	Fire Apparatus & Shop
Mission Element:	093	Respond to Emergency Calls
Project # <b>(CIP Only)</b> :	N/A	

Account:	530160	Rentals
Cost:	\$1,310.55	
Fund:	1020	General Fund – Solid Waste Operations
Organization/Activity:	12504	JC Elliott Transfer Station
Mission Element:	033	Landfills
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,371.36	
Fund:	1020	General Fund – Solid Waste Operations
Organization/Activity:	12506	Cefe Valenzuela Landfill Oper
Mission Element:	033	Landfills
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,371.36	
Fund:	1020	General Fund – Health
Organization/Activity:	12615	TB Clinic – Health Department
Mission Element:	102	Provide & Mgn Medical Clinics
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$692.00	
Fund:	1020	General Fund – Health
Organization/Activity:	12630	Vital Statistics
Mission Element:	101	Enforce Health & Safety Codes
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$1,398.15	
Fund:	1020	General Fund – Health
Organization/Activity:	12640	Environmental Health Inspect
Mission Element:	101	Enforce Health & Safety Codes
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$692.00	
Fund:	1020	General Fund – Health
Organization/Activity:	12660	Immunization
Mission Element:	102	Provide & Mgn Medical Clinics
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$692.00	
Fund:	1020	General Fund – Animal Control
Organization/Activity:	12680	Animal Control
Mission Element:	083	Care for In-Custody Animals
Project # <b>(CIP Only)</b> :	N/A	

Account:	520120	Office Supplies
Cost:	\$692.00	
Fund:	1020	General Fund – Health
Organization/Activity:	12690	Nursing Health Svc
Mission Element:	102	Provide & Mgn Medical Clinics
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$2,217.99	
Fund:	1020	General Fund – Libraries
Organization/Activity:	12800	Central Library
Mission Element:	111	Provide Materials
Project # <b>(CIP Only)</b> :	N/A	
Account:	530230	Equipment Maintenance
Cost:	\$711.20	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	13033	Garden Sr Ctr
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs & Activ
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$692.00	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	13034	Greenwood Sr Ctr
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs & Activ
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$692.00	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	13038	Zavala Sr Ctr
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs & Activ
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$692.00	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	13041	Athletics Operations
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs & Activ
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,231.20	
Fund:	1020	General Fund – Parks & Recreation
Organization/Activity:	13405	After Hour Kid Power
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs &
Project # <b>(CIP Only)</b> :	N/A	

Account:	530160	Rentals
Cost:	\$2,224.25	
Fund:	1020	General Fund – Fire
Organization/Activity:	35100	City Ambulance Operations
Mission Element:	093	Respond to Emergency Calls
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$826.00	
Fund:	4010	Water Fund
Organization/Activity:	30000	Water Administration
Mission Element:	041	Distribute Water
Project # <b>(CIP Only)</b> :	N/A	
Account:	520110	Minor Office Equipment
Cost:	\$5,338.85	
Fund:	4010	Water Fund
Organization/Activity:	31010	Stevens Filter Plant
Mission Element:	062	Treat Water
Project # <b>(CIP Only)</b> :	N/A	
Account:	530230	Equipment Maintenance
Cost:	\$4,575.09	
Fund:	4010	Water Fund
Organization/Activity:	31700	Water Utilities Lab
Mission Element:	063	Manage Storm Wtr Pump Stations
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,180.26	
Fund:	4130	Gas Fund
Organization/Activity:	34000	Gas Administration
Mission Element:	022	Gas Distribution System
Project # <b>(CIP Only)</b> :	N/A	
Account:	520110	Minor Office Equipment
Cost:	\$2,034.00	
Fund:	4200	Wastewater Fund
Organization/Activity:	33000	Wastewater Administration
Mission Element:	042	Wastewater Collection System
Project # <b>(CIP Only)</b> :	N/A	
Account:	520110	Minor Office Equipment
Cost:	\$1,105.68	
Fund:	4200	Wastewater Fund
Organization/Activity:	33110	Oso Wastewater Plant
Mission Element:	064	Treat Wastewater
Project # <b>(CIP Only)</b> :	N/A	

Account:	530160	Rentals
Cost:	\$1,151.72	
Fund:	4200	Wastewater Fund
Organization/Activity:	33210	Lift Station Operation & Maint
Mission Element:	065	Manage Lift Station Oper
Project # <b>(CIP Only)</b> :	N/A	
Account:	520110	Minor Office Equipment
Cost:	\$613.20	
Fund:	4300	Storm Water Fund
Organization/Activity:	32005	SWO Channel Maintenance
Mission Element:	043	Drainage Infra – Surface/Pipes
Project # <b>(CIP Only)</b> :	N/A	
Account:	520110	Minor Office Equipment
Cost:	\$2,479.80	
Fund:	4670	Development Services Fund
Organization/Activity:	11200	Land Development
Mission Element:	284	Oversight Land Dev 7 Public Infra
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,133.12	
Fund:	4670	Development Services Fund
Organization/Activity:	11300	Business Support Svcs
Mission Element:	282	Project Mngt Coord Intl Stkhdrs
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$3,041.01	
Fund:	4670	Development Services Fund
Organization/Activity:	12201	Inspections Operations
Mission Element:	281	Oversight of Bldg Construction
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,133.12	
Fund:	5010	Stores Fund
Organization/Activity:	40000	Warehouse Stores
Mission Element:	185	Centralized Purchasing System
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$692.00	
Fund:	5110	Fleet Maintenance Svc Fund
Organization/Activity:	40170	Fleet Operations
Mission Element:	202	Maintain the Fleet
Project # <b>(CIP Only)</b> :	N/A	



Account:	530160	Rentals
Cost:	\$613.20	
Fund:	5115	Facility Mgmt & Maint Fund
Organization/Activity:	40300	Facility Management & Maint
Mission Element:	191	Operate City Bldgs & Facilities
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Professional Services
Cost:	\$1,287.27	
Fund:	5310	Engineering Services Fund
Organization/Activity:	11150	Engineering & Support Services
Mission Element:	011	Manage projects
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$1,814.31	
Fund:	5310	Engineering Services
Organization/Activity:	11190	Construction Management
Mission Element:	011	Manage projects
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$1,804.71	
Fund:	5614	Other Employee Fund
Organization/Activity:	40610	Other Employee Benefits
Mission Element:	213	Health & Benefits Programs
Project # <b>(CIP Only)</b> :	N/A	
Account:	537360	Wellness Clinic
Cost:	\$1,111.50	
Fund:	1061	Police Grants Fund
Organization/Activity:	N/A	
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	820525F	
Account:	530160	Rentals
Cost:	\$2,874.84	
Fund:	1061	Police Grants Fund
Organization/Activity:	N/A	
Mission Element:	151	Respond to Law Enforcement Calls
Project # <b>(CIP Only)</b> :	822022L	
Account:	530160	Rentals
Cost:	\$2,002.77	
Fund:	1066	Health Grants Fund
Organization/Activity:	N/A	
Mission Element:	106	Conduct Health Education
Project # <b>(CIP Only)</b> :	831321F	

Account:	530180	Non-Capital Lease Payments
Cost:	\$1,107.18	
Fund:	1067	Parks & Recreation Grants Fund
Organization/Activity:	N/A	
Mission Element:	142	Prvd Recreational, Social, Cultural Prgs & Activ
Project # <b>(CIP Only)</b> :	810821F	
Account:	530180	Non-Capital Lease Payments
Cost:	\$3,634.02	
Fund:	9100	Nueces County Health District Fund
Organization/Activity:	N/A	
Mission Element:	715	County Health MOU No ME
Project # <b>(CIP Only)</b> :	713773C	
Account:	530180	Non-Capital Lease Payments
Cost:	\$1,641.96	
Fund:	9100	Nueces County Health District Fund
Organization/Activity:	N/A	
Mission Element:	715	County Health MOU No ME
Project # <b>(CIP Only)</b> :	732603C	
Account:	530180	Non-Capital Lease Payments
Cost:	\$692.00	
Fund:	9100	Nueces County Health District Fund
Organization/Activity:	N/A	
Mission Element:	715	County Health MOU No ME
Project # <b>(CIP Only)</b> :	793103C	
Account:	530180	Non-Capital Lease Payments
Cost:	\$1,329.43	
Fund:	1020	General Fund - Health
Organization/Activity:	12600	Health Administration
Mission Element:	101	Enforce Health & Safety Codes
Project # <b>(CIP Only)</b> :	N/A	
Account:	530180	Non-Capital Lease Payments
Cost:	\$1,329.44	
Fund:	1041	Streets Fund
Organization/Activity:	12310	Traffic Signals
Mission Element:	053	Signals, Signs & Markings
Project # <b>(CIP Only)</b> :	N/A	
Account:	530160	Rentals
Cost:	\$1,252.78	
Fund:	1041	Streets Fund
Organization/Activity:	12320	Signs & Markings
Mission Element:	053	Signals, Signs & Markings
Project # <b>(CIP Only)</b> :	N/A	

Account:	530160	Rentals
Cost:	\$1,252.78	
Fund:	1020	General Fund – Solid Waste
Organization/Activity:	12500	Solid Waste Administration
Mission Element:	031	Waste & brush collection
Project # (CIP Only):	N/A	
Account:	530160	Rentals
Cost:	\$1,205.87	
Fund:	1041	Streets Fund
Organization/Activity:	12400	Street Administration
Mission Element:	051	Maintain Pavement & Associated
Project # (CIP Only):	N/A	
Account:	530160	Rentals
Cost:	\$602.93	
Fund:	1041	Streets Fund
Organization/Activity:	12400	Street Administration
Mission Element:	053	Signals, Signs & Markings
Project # (CIP Only):	N/A	
Account:	530160	Rentals
Cost:	\$602.93	

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing an amendment to the service agreement for lease of citywide copiers with Toshiba American Business Solutions, Inc. to increase the value by \$408,279.41, which includes the allowance for color copies and the amount remaining for copier modifications and accessory add-ons; with a revised value of this agreement not to exceed \$984,897.00 for an estimated potential total of \$1,401,537.00 if all options are exercised; with FY 2021 funding in the amount of \$216,201.30 funded through various departments.

**LIST OF SUPPORTING DOCUMENTS:**

- Service Agreement
- Amendment No. 1
- Amendment No. 2
- Amendment No. 3
- Amendment No. 4