



AGENDA MEMORANDUM

Action Item for the City Council Meeting December 12, 2023

DATE: December 5, 2023

TO: Peter Zanoni, City Manager

FROM: Josh Chronley, Assistant Director of Finance & Procurement
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Five-Year Rental Agreement for Copiers

CAPTION:

Motion authorizing execution of a five-year rental agreement with UBEO, LLC of Pharr, Texas, with an office in Corpus Christi, in an amount not to exceed \$2,078,478.00, through the DIR Cooperative, for the lease of Ricoh copiers to be utilized by various City departments, with FY 2024 funding of \$311,771.70 from various funds.

SUMMARY:

This motion authorizes a five-year rental agreement with UBEO, LLC for the lease of 124 Ricoh copiers to be utilized by City departments in various locations. This Citywide contract will be managed by the Finance & Procurement Department.

BACKGROUND AND FINDINGS:

Printing is an integral part of department level operations. Printer sizes, features, and quantities were primarily driven by department requests. When these printer contracts expire the City typically used a like-for-like replacement methodology.

This item recommends a new replacement approach. A citywide print utilization study was conducted to understand device usage and sizing requirements. In coordination with IT and UBEO a full systems analysis was performed to understand department level printing needs. The analysis focused on the City's 146 multi-function copiers. The analysis included on-site interviews, and meeting with key stakeholders to understand service requirements.

Staff recommends reducing the fleet from 146 to 124 devices. Through better sizing and strategic placement these reductions will have no impact on service levels, and will provide a cost savings to the tax payer. The recommended replacements also reduce the number of model and configurations of the fleet to ensure better efficiency in maintenance and servicing.

The City's Procurement division leveraged the State of Texas Department of Information Resources contracts to ensure competitive pricing on the recommended replacement devices. All new devices have maintenance built into the contract, and with UBEO's local office, we can ensure timely service windows and emergency support.

PROCUREMENT DETAIL:

This procurement is being facilitated through the DIR Cooperative. Contracts awarded through the DIR Cooperative have been competitively procured in compliance with Texas Local and State procurement requirements.

Comparison of Existing to New Contract

	Current	Proposed	Monthly Savings	Annual Savings
Equipment	\$ 16,982.00	\$ 16,063.00	\$ (919.00)	\$ (11,028.00)
Black & White Prints	\$ 8,000.00	\$ 2,646.92	\$ (5,353.08)	\$ (64,237.00)
Color Prints	\$ 10,117.00	\$ 12,835.00	\$ 2,718.00	\$ 32,616.00
	\$ 35,099.00	\$ 31,544.92	\$ (3,554.08)	\$ (42,649.00)

The Procurement division of Finance examined other cooperative contracts and service offerings to find the most cost-effective option for the City. The new contract will save the City more than \$200,000 over the term of the contract.

The contract totals include 20% additional print (click) volume contingency.

ALTERNATIVES:

Extend the existing contract and continue to utilize devices that are near the end of life and outside manufacture warranty.

Utilize local printers and move away from centralized multifunction printer devices.

FISCAL IMPACT:

FUNDING DETAIL:

Various – See Attachment

RECOMMENDATION:

City staff recommend approving the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Manage Rental Agreement & Amendment
Price Sheet