

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 02/11/08		Item Number: <u>C-7</u>	
AGENDA ITEM: Approval of a Four-Year Lease for a Pro C 6500 Color Copier from Konica Minolta Business Solutions (Ramsey, NJ) to Support the Citywide Reproduction Services.			
Contact Person/Dept.: Lloyd Reynolds, Graphic Services		Phone Number: 310 253-6090	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Public Notification: E-mail master notification list on 02/06/08			
Department Approval: John Richo (02/05/08)		City Attorney Approval: Carol Schwab (by H. Baker) (02/06/08)	
Fiscal Impact Review: Jeff Muir (by M. Noller) (02/06/08)		City Manager Approval: Jerry B. Fulwood (02/06/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve the lease of a Konica Minolta Pro C6500 color copier to enhance and support Graphics in its Citywide reproduction services. <u>BACKGROUND:</u> On April 26, 1999, an Astro Cannon 950 color copier was installed to meet the needs of City departments. This unit has become obsolete as it is now 8 1/2 years old and no longer meets our needs. The machine is slow (4 copies per minute) and incompatible with new digital systems as it uses an analog processing system. An analog system is an older technology system that requires scanning each page separately for each individual primary color; i.e. 4 scans are required per page: one scan for yellow, one for magenta, one for cyan, and one for black. As a result, a job requiring 100 color copies will consist of 400 scans (25 min. per 100 copies). In comparison, a digital copier only requires one scan and therefore is able to produce 100 copies in less than two minutes. <u>DISCUSSION:</u> The Graphic Services Division provides a number of services for City departments including scanning, copying, faxing, and printing services. Over the years, technology has changed and the City has upgraded from analog systems to the newer digital systems. During this period of time City departments have			

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also evolved and increasingly request reproduction of color documents for presentations, staff reports, and distribution to the public (examples: flyers, budget manuals, fire protocol and map books, redevelopment and planning layout maps).

Vendor Selection

In response to this growing need, the Graphics Services Division contacted a number of companies to solicit proposals for color copiers. Six (6) companies responded (Toshiba, Hewlett-Packard, Lanier, Riso, Ricoh, and Konica), all of which met the City's specifications as far as capabilities and service requirements (NOTE: see Attachment 1 for specifications). In addition to the operational specs, staff's main concern was cost and long-term maintenance. The cost for the Konica Minolta Pro C6500 color copier is 75 percent lower than the next lowest bid on a cost per copy basis and Konica offers a zero cost base for maintenance (Attachment 2).

The lease of a Konica Minolta Pro C6500 color copier will increase Graphic Services color copying capabilities dramatically and significantly increase efficiency. Staff will be able to produce standard black copies and color copies on one machine instead of multiple machines. Additionally, the proposed copier can produce 65 pages per minute of quality color and black and white copies, and has network printing, scanning, stapling, and saddle stitching capabilities. All of these functions can be integrated into a one-step process, which will save staff time not only in the duplicating process, but also in collating and binding of the completed materials.

Graphic Services currently has twenty four (24) copy machines in use throughout the City; twenty three (23) of which are Konica copiers. Konica's preventative maintenance and services have always been above par, allowing greater operation time with little downtime for each individual unit. This type of service commitment from Konica enables each department to operate at a higher level of dependability for their reproduction needs.

Due to the quality of the Konica Minolta Pro C6500, Konica's demonstrated level of service and maintenance, and the extremely competitive pricing structure offered by Konica, staff recommends approval of the lease with Konica Minolta Business Services for the Pro 6500 model.

FISCAL ANALYSIS:

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In the first year that the Graphics Services Division offered color copy services (1999), there were a total of 7,366 copies run in the entire year, which cost approximately \$810. Through November of this fiscal year, 12,866 copies have been run, which cost approximately \$1,415. This same quantity run on a new Konica Minolta Pro C6500 color copier is estimated to cost approximately \$129; resulting in a cost savings of almost \$1,300.

In addition to the cost per page savings, there will be a significant savings in staff time. Using the 12,866 copies run through November, it is estimated that at least 54 staff-hours would have been saved using the proposed Konica Minolta Pro C6500. Also, with the bindery capabilities of the Konica Minolta Pro C6500 that are not available on the current machine, there will be an additional savings in staff time as the collating and binding will not need to be done by hand.

Approval to lease the color copier from Konica Minolta would result in an annual expenditure not-to-exceed \$10,350 including applicable sales tax in each year. Staff recommends a four-year lease for a total operating expenditure not-to-exceed \$41,400. Sufficient funds have been allocated in the fiscal 2007-08 adopted Graphic Services operating budget (10126100.605100) to cover the cost of leasing the recommended machine this fiscal year. The amount of \$10,350 will be budgeted in each of the three subsequent fiscal year's budgets to cover the cost of the corresponding year's lease.

ATTACHMENTS:

- 1) Price comparisons of vendor proposals.
- 2) Specifications
- 3) Lease agreement

MOTION:

That the City Council:

- 1) Approve a four (4) year lease agreement with Konica Minolta for lease of a Pro C6500 color copier; and,
- 2) Authorize the City Attorney to review/prepare any necessary documents and authorize the City Manager to execute such documents on behalf of the City.