



City of Culver City

Staff Report

File #: 24-1023, Version: 1

Item #: C-13.

CC - CONSENT ITEM: (1) Approval of a Maintenance Agreement with Konica Minolta for Citywide Multifunction Device Managed Print Services in an Amount Not-to-Exceed \$75,000; and (2) Authorization to the City Manager to Approve Five One-Year Renewals for Amounts Not-To-Exceed the Prior Year's Cost by More than 15%, Subject to Subsequent Year Budget Approvals.

Meeting Date: May 28, 2024

Contact Person/Dept: Michele Williams/Information Technology Department

Phone Number: (310) 253-5950

Fiscal Impact: Yes No

General Fund: Yes No

Attachments:

Public Notification: (E-Mail) Meetings and Agendas - City Council (05/22/2024)

Department Approval: Michele Williams, Chief Information Officer (05/08/2024)

RECOMMENDATION

Staff recommends the City Council (1) approve a maintenance agreement with Konica Minolta for citywide multifunction device managed print services in an amount not-to-exceed \$75,000 for the first year; and (2) authorize the City Manager to approve five one-year renewals for amounts not-to-exceed the prior year's cost by more than 15%, subject to subsequent year budget approvals.

BACKGROUND/DISCUSSION

The City utilizes multi-function devices providing copier, fax and scanning services for business operations throughout various departments. The Information Technology Department initiated a project in 2019 to replace the City's fleet of bizhub® devices as the then-current fleet was over ten years old and reached the end of its useful life. Many units required frequent repair with some out of order entirely, resulting in lost staff time and increased cost of operation for machine use.

On July 8, 2019 City Council approved a five year agreement with Konica Minolta to lease 42 multifunction devices along with providing ongoing maintenance which included toner, equipment repair, supplies (excluding paper), preventative maintenance and parts, on-site proactive service and

support with guaranteed service level response times, detailed account usage and a simplified billing process over the term of the agreement.

The lease agreement requires the City to have an ongoing maintenance agreement with Konica in place. The lease also includes a \$1 per unit buyout at the end of the lease. The City intends to buy the units at the end of the term as that is the most economical option because the units will not be at end-of-life for another 3-5 years. It is highly recommended to retain the ongoing maintenance agreement after the purchase of the units.

This fiscal year, the maintenance agreement has exceeded the administrative expenditure threshold due to increased usage and the addition of new units. As a result, staff requests City Council approval to continue the maintenance agreement.

Culver City Municipal Code Section 3.07.055.G exempts bidding requirements where competitive bid procedures have already been utilized by the City, public agency or joint power agency and the goods or supplies are supplied to the City at the same or better price. Because multifunction devices as supplied by Konica Minolta have previously undergone competitive solicitation procedures with the County of San Bernardino and Konica Minolta will supply the same services at the same or better rate, the maintenance rate which is based on usage meets this requirement.

Staff is recommending the City Council approve an agreement with Konica Minolta in an amount not-to-exceed \$75,000 for the first year and five one-year extensions for amounts not-to-exceed the prior year's cost by more than 15%, subject to subsequent year budget approvals.

FISCAL ANALYSIS

There is sufficient funding in the IT Department Equipment Repairs & Maintenance budget (10124200.600200) for this expenditure which includes ongoing maintenance and support of the Konica fleet. Renewal costs not to exceed 15% of prior year costs will be incorporated into future budgets.

ATTACHMENTS

None.

MOTION

That the City Council:

1. Approve a maintenance agreement with Konica Minolta for citywide multifunction device managed print services in an amount not-to-exceed \$75,000 for the first year;
2. Authorize the City Manager to approve five one-year renewals for amounts not-to-exceed the prior year's cost by more than 15%, subject to subsequent year budget approvals;

3. Authorize the City Attorney to review/prepare the necessary documents; and,
4. Authorize the City Manager to execute such documents on behalf of the City.