

Description/Analysis

Issue Detail: The City currently has approximately 200 multi-function devices (copiers) which are used regularly to print, scan, fax, and copy documents. In November of 2018, Procurement Services issued Request for Proposals (RFP) No. P19061511007 for copier lease and maintenance services. The City received 13 proposals in response to the RFP and an evaluation committee scored Smile as the highest-ranking proposer based upon criteria outlined in the RFP including response time, quality and security of equipment, experience, and cost.

The current copiers are leased through the incumbent supplier, Buckmaster Office Solutions, and will be replaced by Smile as the individual leases expire to avoid disruption of services to the City.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Chapter 3.56, Administrative Policy (AP) 4101.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1 million shall be made available to the public at least ten (10) days prior to council action. This contract was published for 10-day review on June 13, 2019.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns administrative activities and government fiscal activities that do not constitute a “project” as defined by the CEQA Guidelines Sections 15378(b)(2) and 15378(b)(4) and are not subject to the provisions of CEQA (CEQA Guidelines 15060(c)(3)).

Sustainability: The recommendations in this report are in accordance with the Sustainability Purchasing Policy (AP 4003).

Commission/Committee Action: None

Rationale for Recommendation: The City received 13 proposals in response to RFP No. P19061511007 and an evaluation committee scored Smile as the highest-ranking proposer based upon criteria outlined in the RFP including response time, quality and security of equipment, experience, and cost. The results of the RFP are included in Attachment 2.

Financial Considerations: In determining the recommended spending authority, staff reviewed the expenditure history for these services. The contract includes an allowance for annual growth of 5% through year five. For each year beyond the five-year expiration date for new copiers to be installed,

the estimated annual expenditure is reduced by 25% as copiers will be replaced by attrition as the result of a new RFP and contract in 2024.

The City can anticipate cost savings from this contract of approximately \$60,000 per year. The current average monthly fee for all copiers and service through the incumbent is \$45,665 while the cost under the new contract with Smile is estimated to be \$40,640.

Sufficient funding is available in the FY2018/19 budget for purchases made through June 30, 2019. Any purchases made after June 30, 2019, will be subject to funding availability in the adopted budget for the applicable fiscal year. Individual departments will utilize their approved operating budgets to pay for these services as needed.

Local Business Enterprise (LBE): Smile Business Products is an LBE with a corporate office on Auburn Boulevard in Sacramento.