

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	59209	Agenda Number	54.
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Meeting Date:	June 23, 2016
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Department:	Purchasing
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Subject

Authorize an amendment to the contract with XEROX CORPORATION for the lease, installation and maintenance of multifunction devices and managed services, for an increase of \$1,731,406, and to increase funding to the 60-month extension option in an amount not to exceed \$3,083,352, for a revised total contract amount not to exceed \$28,693,940.

Amount and Source of Funding

Funding in the amount of \$168,689 is available in the Fiscal Year 2015-2016 Operating Budget of Austin Energy. Funding in the amount of \$15,000 is available in the Fiscal Year 2015-2016 Operating Budget of the Austin Public Library. Funding for the remaining 37 months of the original contract period and extension option is contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	Contract Amendment
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Prior Council Action:	June 26, 2014 - approved original contract, item 51.
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For More Information:	Sai Xoomsai Purcell, Senior Buyer Specialist, 512-974-3058
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Boards and Commission Action:	May 16, 2016 – Recommended by the Electric Utility Commission on an 11-0 vote.
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Related Items:	
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MBE / WBE:	This contract was awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Additional Backup Information

The contract is for the city-wide lease, installation, and maintenance of multifunctional devices (MFDs) and managed services. On September 23, 2013, the City Manager signed the Sustainable Printer and Paper Policy Administrative Bulletin requiring a city-wide reduction of printers, copiers, fax machines and scanners, eliminating desktop printers. Adding Austin Energy to this city-wide contract will maintain compliance. This will also create authority for the purchase of MFDs in support of the Austin Public Library.

Multifunctional devices or MFDs are machines that provide network printing, copying, scanning, and faxing functions. Using MFDs as opposed to individual desktop printers have multiple benefits including savings in operating costs, energy and materials. As the City phases out the majority of its aging fax machines, desktop printers, old network printers, and scanners, a cost savings is achieved through the consolidation of redundant rental contracts, invoices, a wide variety of supply inventories (toner, drums, ink cartridges, waste containers) and the ability to create city-wide default settings on the machines.

The current contract was awarded through the competitive process through the State of Texas Department of Information Resources (DIR) cooperative purchasing program on June 26, 2014, in an amount not to exceed \$11,609,400 for the initial 60-month contract period with one 60-month extension option in an amount not to exceed \$12,269,782.

This amendment is being requested to add Austin Energy to the contract for the lease, installation of MFDs and managed services that pool both black/white and color impressions that are shared city-wide. Additional services provided will include help-desk support, proactive alerting for repair calls, automated supply ordering, automated meter read submissions, user training, printing supplies, recycling of printing containers/cartridges and automated usage and maintenance reporting. Additionally, plotters and wide-format devices will be included as needed.

The consolidation will continue the decrease of consumable costs associated with these services, as well as maintenance contract cost, electricity usage and CO2 emissions, fulfilling the goals outlined in the Bulletin. This contract will align Austin Energy's needs for required MFDs and managed services with the City's current contract with Xerox. The contract will also add and meet the requirements for the new Central Library.

CONTRACT SUMMARY

XEROX CORPORATION				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	60	\$ 11,609,400	\$ 1,731,406	\$ 13,340,806
Extension Option 1	60	\$ 12,269,782	\$ 3,083,352	\$ 15,353,134
TOTAL	120	\$ 23,879,182	\$ 4,814,758	\$ 28,693,940