



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 26, 2018

FROM: INNOVATION AND TECHNOLOGY DEPARTMENT WARDS: ALL

SUBJECT: FIFTH AMMENDMENT TO INFORMATION AND TELECOMMUNICATIONS SERVICE AGREEMENT WITH XEROX CORPORATION EXTENDING EXISTING CONTRACT TERM FOR CERTAIN MANAGED PRINT HARDWARE, REMOTE CARE AND CONSUMABLE FULFILLMENT SERVICES, ON A MONTH-TO-MONTH BASIS, ESTIMATED AT \$36,041 PER MONTH PLUS METER AND EXISTING EQUIPMENT LEASE COSTS

ISSUE:

Approve the Fifth Amendment to Information and Telecommunications Service Agreement with Xerox Corporation extending existing contract term for certain managed print hardware, remote care and consumable fulfillment services, on a month-to-month basis, until the award of Request for Proposal (RFP) 1817, and new agreements are executed and implemented pursuant to RFP 1817, estimated at \$36,041 per month plus meter and existing equipment lease costs.

RECOMMENDATIONS:

That the City Council:

1. Approve the Fifth Amendment to Information and Telecommunication Service Agreement with Xerox Corporation extending existing contract term for certain managed print hardware, remote care and consumable fulfillment services, on a month-to-month basis, until the award of RFP 1817, and new agreements are executed and implemented pursuant to RFP 1817, estimated at \$36,041 per month plus meter and existing equipment lease costs.
2. Authorize the City Manager, or his designee, to execute all necessary documents to extend the existing contract on a month-to-month basis, including making minor and non-substantive changes and issuing purchase orders.

BACKGROUND:

On December 22, 2010, the City Council approved the First Amendment to the Information Technology and Telecommunications Services Agreement with ACS (IT Outsourcing Agreement) to include lease of certain hardware and citywide Managed Print Services (MPS). MPS is a generic term for a service offered by an external service provider to optimize or manage an agency's document output to meet certain objectives, including driving down costs, improving

efficiency and productivity and reducing the IT support workload. The main components provided through an MPS program typically include a needs assessment, selective or general replacement of hardware (optimization) and service for parts and supplies needed to operate the new and/or existing hardware. The MPS provider also tracks how the printer fleet is being used, problems encountered and user satisfaction.

The City's managed print services agreement with Xerox was amended on June 22, 2014, as the Fourth Amendment to the agreement with ACS, and allowed the MPS portion of the contract to be assigned if the underlying outsourcing agreement was terminated. As a result of the termination of the outsourcing portion of the agreement with ACS effective June 30, 2016, the lease and MPS portions of the agreement were assigned, and ongoing service has been provided to the City directly by Xerox.

On April 12, 2018, the City released RFP 1817 seeking proposals for Managed Print Services to implement a new contract with an MPS vendor. The evaluation process for RFP 1817 is ongoing, but a new vendor for this RFP has not been awarded by City Council.

DISCUSSION:

Staff estimates that a new agreement pursuant to RFP 1817 will be in place within the next few months. Any equipment leases expiring within this extension period will not be committed under long-term leases under the pre-existing agreement with Xerox Corporation, however any new equipment will be acquired pursuant to the agreement for RFP 1817. Given the essential nature of the printing service provided by Xerox, which is necessary for Citywide printing on a daily basis, staff is seeking a month-to-month extension of the current agreement and pricing, while RFP 1817 is awarded, agreed upon, and implemented.

FISCAL IMPACT:

The cost will remain at the estimated \$36,041 plus meter charges and existing equipment lease costs. These amounts are distributed amongst the various departments in the recommended Fiscal Year 2018-2019 Budget. The Innovation and Technology Department will request a purchase order for the estimated cost of the City's MPS program and will continue to work with each department to ensure costs are being allocated to the appropriate account, as budgeted.

Prepared by: Chris Tilden, Interim Chief Innovation Officer
Certified as to
availability of funds: Adam Raymond, Chief Financial Officer/City Treasurer
Approved by: Lea Deesing, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Fifth Amendment to Information Technology and Telecommunications Service Agreement