

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: CHUCK MCBRIDE, CHIEF FINANCIAL OFFICER, FINANCE  
DEPARTMENT  
BRANDALYN TRAMEL, PURCHASING AGENT, FINANCE  
DEPARTMENT  
SUBJECT: GENERAL SERVICES AGREEMENT WITH SMILE BUSINESS  
PRODUCTS, INC. FOR CITYWIDE COPIER LEASE,  
MAINTENANCE AND REPAIR SERVICES

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Finance Department, that the Council, by resolution, approve General Services Agreement No. F001852 with Smile Business Products, Inc., Sacramento, California for Citywide copier lease, maintenance, and repairs under National Joint Powers Alliance (NJPA) Cooperative Agreement No. 083116-SEC, in an amount not to exceed \$1,170,000.

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EXECUTIVE SUMMARY

This Agreement is a copier lease, maintenance, and repair service agreement for all departments in the City of Santa Rosa. The lease includes installation of the equipment, training, maintenance and repairs, including all replacement parts, and consumables such as toners. The Agreement also includes usage management and reporting by departments, and management of lease inventory. The term of the Agreement is five years with five (5) one-year extension options.

BACKGROUND

On August 7, 2013, the City Council approved the use of the National Joint Powers Authority (NJPA) cooperative agreement with Sharp Electronics Corporation supported by the northern California distributor Smile Business Products, Inc., Sacramento, CA under Agreement F000608 which is due to expire on February 1, 2019. There are currently 55 copiers under this Agreement.

Charges are based on a fixed monthly amount depending on the size, speed, and options of the copier, plus a cost per copy charge for copies over a maximum number included with a fixed monthly amount. Additional costs are incurred if a department exceeds their

fixed monthly amount of copies. The award amount for this new Agreement is based the City's previous year average spend Citywide of \$19,500 per month.

#### PRIOR CITY COUNCIL REVIEW

N/A

#### ANALYSIS

Under the NJPA contract, Smile Business Products, Inc. will provide, install, and maintain all copiers and provide all consumables, except for paper. The lease will be based on a fixed monthly amount for the equipment depending on the size, speed and options of the copier, plus a fixed cost per copy charge for copies that exceed a maximum print allotment. Lease cost per copy charges by department have been reviewed and tailored specifically to the needs of the department based on the previous history of use in order to minimize potential overage charges.

All existing copiers will be replaced with new machines with current technology based on the number of monthly copies produced and features required, like for like, unless a department has identified the need for alternative options. On November 8, 2018, Smile Business Products Inc. provided a mobile showroom event where departments were invited to view and use the available equipment and confirm the proper copier selection based on the need.

Changing from the Sharp product line to another manufacturer would require a significant amount of staff time to change test new fax server interfaces and print server configurations, and ongoing incompatibility issues. Sharp product line configurations are already in place and tested.

This contract is available for use by the City of Santa Rosa as a cooperative purchase agreement, which is allowed by City Code Section 3.08-160 when advantageous to the City. The City would begin using the NJPA contract on February 1, 2019 and will result in an 5.4% savings compared to the current lease program. Services provided by Smile Business Products, Inc., under the current contract, continue to be satisfactory and the relationship with the City's staff is strong.

#### FISCAL IMPACT

Funds for this expense are included in Fiscal Year 18-19 and will be included in the subsequent Fiscal Years as a normal operating expense when presented to the City Council.

#### ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment or a foreseeable indirect physical change in the environment pursuant to CEQA guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

- Resolution
- Exhibit A - General Services Agreement No. F001582 with Smile Business Products, Inc.

CONTACT

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