

City Council Chambers
29844 Haun Road
Menifee, CA 92586

Bill Zimmerman, Mayor
Bob Karwin, District 1
Ricky Estrada, District 2
Lesa Sobek, District 3
Dean Deines, District 4



AGENDA

Menifee City Council Regular Meeting Agenda

**Wednesday, June 21, 2023
5:30 PM Closed Session
6:00 PM Regular Meeting**

**Armando G. Villa, City Manager
Jeffrey T. Melching, City Attorney
Stephanie Roseen, Acting Clerk**

10.12 Agreement with Canon Financial Services Inc., for Copier Lease and Maintenance

RECOMMENDED ACTION

1. Approve a five-year Purchase Order agreement with Canon Financial Services in the amount of \$268,277, or \$53,655.48 per year including tax and delivery for managed print services and leased Canon copiers, printers, scanners; and
2. Authorize up to \$5,000 additional per year to cover annual staff growth or facility expansions for a total amount of \$293,277 for the five-year term; and
3. Authorize the purchase to be made under the Cooperative Purchasing Agreement as permitted under the Menifee Municipal Code Section 3.12.070(6) through the NASPO ValuePoint 3091 Contract (No. 7-15-70-23); and
4. Authorize the City Manager to execute the Purchase Order agreement and any required documents to approve any future change orders due to limited availability, or unavailability of the equipment.



CITY OF MENIFEE

SUBJECT: Agreement with Canon Financial Services Inc., for Copier Lease and Maintenance

MEETING DATE: June 21, 2023

TO: Mayor and City Council

PREPARED BY: Michelle Sarkissian, Information Technology Manager

REVIEWED BY: Ron Puccinelli, Chief Information Officer

APPROVED BY: Armando G. Villa, City Manager

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2. Authorize up to \$5,000 additional per year to cover annual staff growth or facility expansions for a total amount of \$293,277 for the five-year term; and
3. Authorize the purchase to be made under the Cooperative Purchasing Agreement as permitted under the Menifee Municipal Code Section 3.12.070(6) through the NASPO ValuePoint 3091 Contract (No. 7-15-70-23); and
4. Authorize the City Manager to execute the Purchase Order agreement and any required documents to approve any future change orders due to limited availability, or unavailability of the equipment.

DISCUSSION

The City's current fleet of copiers, printers, scanners, and plotters has been in place for approximately six years, including to lease extensions to enable to City to realize the full useful life of the equipment essentially idled during the COVID-19 pandemic. The current equipment has reached it's useful life span in terms of number of pages produced. Concurrently, the City has grown over the six years adding additional staff and facilities. Consequently, the current copiers, printers, scanners, and plotters are in need of replacement in order to avoid service interruptions and escalating maintenance and repair costs.

On December 22, 2022, the City of Menifee issued a Request for Proposal (RFP) No. 2023-11 related to a Copier Lease & Maintenance. Proposal responses were due on February 13, 2023. A total of eight proposal responses were received to the solicitation. An evaluation committee of key City staff members familiarized and experienced in the requirements of the RFP, evaluated the submittals based on specific criteria and scoring parameters stated in the solicitation.

Subsequently, demonstrations and individual interviews were held with all four finalists:

1. AIS
2. Innovative Document Solutions (IDS)
3. Sharp Electronics Corporation
4. South Coast Copy Systems

An evaluation panel of five individuals representing the Information Technology, Building & Safety, City Clerk, Finance, and the Police Department participated in the interviews. The finalists were evaluated on the following components:

1. Part I: Demonstration (25 minutes), representing 50% of the overall interview score.
2. Part II: Questions & Answers (Q&A), representing 50% of the overall interview score.

Following the completed interviews, the Purchasing Division has compiled all interview individual scoring and has provided a summary of the highest overall scoring consultant.

Interview Evaluation Results

Based on the compiled Interview evaluations:

- IDS with an average score of 91 points.
- IDS based on the individual rankings (1 thru 4) receiving a 1st place ranking by all five of the evaluators.

IDS has provided the City with a National Association of State Procurement Officials (NASPO) (governmental pricing) Contract No. 7-15-70-23 proposal. Under the City of Menifee Municipal Ordinance, 3.12.070(6), the city may procure supplies and equipment if they are procured through a cooperative purchasing program with federal, state, county or other public agencies. By using a NASPO Contract, the City will achieve cost savings in efforts to secure Canon equipment for the next five years and benefit from the governmental pricing offered through the established NASPO Contract. The five-year term will cover July 1, 2023, thru June 30, 2028. The Purchase Order Agreement is with Canon Financial Services, and IDS as an authorized service provider/distributor for Canon will provide equipment support service for the equipment through the term of service. IDS will be paid directly by Canon for their services, and the City will enter into a Purchase Order Agreement with Canon.

The agreement with Canon Financial Services is for copies, equipment service and equipment, including 18 copiers, 40 printers, 21 scanners, and 1 plotter. The maintenance agreement includes all toners, drums, parts, repairs, delivery, relocations, set-up, networking, training, and consumables except paper and staples.

STRATEGIC PLAN OBJECTIVE

Regular City Business

FISCAL IMPACT

The fiscal impact for the lease of the devices is expected to be approximately \$4,111.54 per month plus tax of \$359.75 per month, totaling \$4,471.29 per month or \$53,655.48 per year.

If authorized to secure an additional \$5,000.00 each year for potential staffing or facility expansion increases, the total fiscal impact is expected to be approximately \$58,655.48 per year.

This is a decrease in monthly lease cost compared to the current lease due to the lease term moving from 36-months to 60-months. In addition, costs associated with actual printing will be based on use at a flat rate of \$0.0074 for black and white pages and \$0.05 for color pages. *(In the current Fiscal Year 2022/2023, printing charges added an additional approximate \$35,000 above the leases for the devices.)*

Funds for the contract and additional printing costs are available in Account Number No. 100-4221-52502 and 100-4911-52502 Leased Equipment in the Non-Departmental Budget of the General Fund in FY 2023/2024 and FY 2024/2025 Proposed Budgets, and will be included as a part of the annual budget process for subsequent years.

YEAR	FISCAL YEAR	FUND	Account Cost Breakdown	Annual Cost*	Annual Cost w/Tax**
1	2023/2024	General – Non-Departmental	\$15,889.93 100-4911-52502 \$38,448.55 100-4221-52502	\$54,338.48	\$58,655.48
2	2024/2025	General – Non-Departmental	\$15,889.93 100-4911-52502 \$38,448.55 100-4221-52502	\$54,338.48	\$58,655.48
3	2025/2026	General – Non-Departmental	\$15,889.93 100-4911-52502 \$38,448.55 100-4221-52502	\$54,338.48	\$58,655.48
4	2026/2027	General – Non-Departmental	\$15,889.93 100-4911-52502 \$38,448.55 100-4221-52502	\$54,338.48	\$58,655.48
5	2027/2028	General – Non-Departmental	\$15,889.93 100-4911-52502 \$38,448.55 100-4221-52502	\$54,338.48	\$58,655.48
				TOTAL	\$293,277.40

*Includes additional annual \$5,000 for employee growth and facility expansion.

**Tax is approximately \$359.75 per month or \$4,317 per year.

No additional budget appropriation action is required.

ATTACHMENTS

1. Purchase Order Agreement with Canon Financial Services
2. City of Menifee Canon PO
3. Canon Financial Services Proposal