



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY					
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory					
Council Meeting Date:		5/11/2015			
Department:		Technology Services			
Department Head		David Stephens			
Agenda Coordinator (include phone #): Dianna Wike x7549					
CAPTION					
To approve and authorize Contract Modification No. 2 for the lease of additional multi-function devices in the estimated additional annual amount of \$144,536 from NovaCopy, Inc. for all City departments. This lease will be coterminous with the previously leased equipment. This modification will provide for the consolidation of over 360 printers, scanners and faxes into 184 multi-function devices. (2014-111-C)					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	2014-15, 2015-16, 2016-17, 2017-18, 2018-19	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	239,502	1,151,175	1,390,677
Encumbered/Expended Amount		0	-191,323	-609,165	-800,488
This Item		0	-48,179	-542,010	-590,189
BALANCE		0	0	0	0
FUND(s): VARIOUS FUNDS					
<p>COMMENTS: This item approves a modification to the existing managed print services contract. Expenditures will be incurred by each department based on need within the approved budget appropriations for each year of the contract. The estimated additional contract amount is \$590,189, including \$48,179 in the current fiscal year.</p> <p>STRATEGIC PLAN GOAL: Modifying an existing contract to provide for print services in a more cost-effective manner relates to the City's goal of a Financially Strong City with Service Excellence.</p>					
SUMMARY OF ITEM					
Per the recommendation memo.					
List of Supporting Documents: Recommendation Memo			Other Departments, Boards, Commissions or Agencies		



Memorandum

Date: April 27, 2015

To: Diane Palmer-Boeck, Chief Purchasing Officer

From: David Stephens, Chief Information Officer

Subject: Modification to NovaCopy, Inc. Managed Print Services Contract #2014-111-C

Technology Services requests a modification to the existing managed print services contract with NovaCopy, Inc, contract number 2014-111-C. This contract is effective through June 30th, 2019 with two optional two-year extensions. This modification includes the addition of 184 multi-function devices (MFP'S) which replaced printers throughout the City. The initial contract was for the replacement of 92 copier/scanner/fax devices. The consolidation effort for the replacement of the 360 printers was originally estimated to take three years but we were able to condense that to a one-year period to replace all the existing printers.

By consolidating over 360 printers, scanners and faxes into 184 multi-function devices, the City of Plano was able to reduce costs, energy consumption, and complexity within the printing environment. By standardizing on MFP's Technology Services minimized and eliminated the multitude of types of printers, scanners and faxes that were supported by Technology Services staff and the end users. This lead to decreased support costs. We will also see energy usage reductions through the consolidation of devices.

The current contract with NovaCopy is for \$162,444. This modification will raise the contract amount to \$306,980, or an increase of \$144,536. When looking at the cost to provide printing services in the old city-owned equipment model we had an estimated cost of \$383,000 per year when we added the cost for the lease of the copiers, expenditures for toner cartridges and minor repairs, and cost for support personnel. This equates to an annual savings of over \$76,000 per year through the use of the managed print services contract. The total estimated cost for this managed print service contract for four years (until July 2019) is \$1,227,920.

If Technology Services were not able to provide this managed print service to all the City departments, then the departments would incur higher costs for printing, scanning and faxing services. This would impact the operational cost for each department, including requiring more support technicians in Technology Services.