



Midpeninsula Regional
Open Space District

R-17-35
Meeting 17-08
March 22, 2017

AGENDA ITEM 6

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Agreement with Sharp Business Systems to enter into a 48-Month Lease and Use Agreement for eight leased printers and two owned printers.

GENERAL MANAGER'S RECOMMENDATION

Authorize the General Manager to enter into a 48-month lease and use agreement with Sharp Business Systems for an amount not to exceed one hundred two thousand, four hundred thirty-two dollars (\$102,432).

SUMMARY

The District's current printer lease and use agreement with Sharp Business Services (Sharp) expires in July 2017. Through the cooperative purchasing capability of the National Cooperative Contract with the National Joint Powers Alliance (NJPA), the District leverages the collective purchasing volume of member agencies and benefits from negotiated price advantages.

Local agencies using the NJPA National Cooperative Contract with Sharp include the City of Mountain View, City of Redwood City, Menlo Park City School District, Palo Alto Unified School District, and San Jose Unified School District.

Under the new lease agreement with Sharp, the District will obtain new printers with increased functionality and expanded technology for greater efficiency. Staff recommends using the National Cooperative Contract to enter into a new four-year lease and use agreement between the District and Sharp for eight leased printers and two owned printer for an amount not to exceed one hundred two thousand, four hundred thirty-two dollars (\$102,432).

MEASURE AA

This is not a Measure AA project.

DISCUSSION

The District lease with Sharp expires in July 2017. Six of the current printers are over four years old and have outdated technology. With a new lease, the District has the opportunity to upgrade its multi-function printers on a national cooperative contract and keep costs down.

Cooperative purchasing allows the district to use an existing, competitively awarded, contract with joint agencies to lease the equipment directly from Sharp. This provides cost savings to the District and reduces staff time required to conduct an extensive bid process. In this case, NJPA

issued a Request for Proposal for printer purchase, lease, and use services to thirty-six vendors and received proposals from nine vendors. NJPA evaluated the bids and determined that Sharp provides technically innovated printers with a pricing program that brings high value and lowest cost.

Equipment List:

Sharp Device on Current Lease	Office - Department	Number of Items	Suggested Device on New Lease
Sharp MX7040	Copy room - AO	1	Sharp MX6070
Sharp MX3140	Copy room - AO	1	Sharp MX3570
Sharp MX3140	Skyline Field Office	1	Sharp MX3570
Sharp MX3140	Foothill Field Office	1	Sharp MX3570
Sharp MX3140	AO2	1	Sharp MX3570
Sharp MX402 – owned printer	AO3	1	Sharp MX3570 (upgrade to new lease)
Sharp MX3070	AO4	1	no change
Kyocera FS4200	AO	1	no change
Sharp MX301W - owned printer	Mt. Umunhum Field Office	1	no change (not on lease)
Sharp MX402 – owned printer	Coastal Field Office	1	Owned printer moved from AO3 adding in July 2017 (not on lease)

Current Equipment Functions vs New Equipment Functions:

Sharp Device on Current Equipment	Functions	Suggested Device on New Equipment	Functions
Sharp MX7040 (2012)	80 GB Memory 600 x 600 dpi (image clarity) 70 Page Per Minute 120 page scanning speed 2 x 500 sheet drawer 2000 tandem paper drawer	Sharp MX6070 (2016)	500 GB Memory 1200 x 1200 dpi (image clarity) 60 Page Per Minute 200 page scanning speed 2 x 550 sheet drawer 2100 tandem paper drawer Supports Mobility & Pull Printing (Drive Print) Supports Usage Tracking/Reporting Sharp OSA Technology (Cloud Ready) Supports Data, Fax, SharePoint Connector (Drive Image) Stapleless Stapling

Sharp Device on Current Equipment	Functions	Suggested Device on New Equipment	Functions
Sharp MX3140 (2012)	320 GB Memory 600 x 400 dpi (image clarity) 31 Page Per Minute 100 page scanning speed 3 - 500 sheet drawers	Sharp MX3570 (2016)	500 GB Memory 1200 x 1200 dpi (image clarity) 35 Page Per Minute 150 Page scanning speed 3 - 550 sheet drawers Supports Mobility & Pull Printing (Drive Print) Supports Usage Tracking/Reporting Sharp OSA Technology (Cloud Ready) Supports Data, Fax, SharePoint Connector (Drive Image) Stapleless Stapling

New Technology

Drive Image – Document capture and routing solution allows users to capture paper documents and their metadata and transfer to email, fax, and output to many business applications and systems.

Drive Print – Allows user to print from virtually any mobile device to any of the District's print device, release print job as needed, and the ability to provide usage tracking and reporting.

FISCAL IMPACT

The District's FY2016-17 Budget includes \$27,600 in the Administrative Services general fund operating budget for lease of office equipment, which includes the planned build out of the coastal area office. There are sufficient funds in the operating budget to cover the anticipated costs for the remainder of the FY2016-17 budget under the new contract terms, due to the deferral of the coastal area office until FY2017-18.

FY2016-17 Budget	\$27,600
Spent YTD (as of 2/28/2017)	\$15,008
Estimated Expenditure (March-June)	\$8,277
Budget Total (Proposed):	\$4,315

The Administrative Services general fund operating budget for the lease of office equipment will decrease by \$1,992 annually, resulting in a total aggregated cost savings of \$7,968 over the 48-month lease.

Fiscal Year Exercised	Budgeted Printer Lease	Proposed Printer Lease
Year 1: 17/18	\$25,608	\$25,608
Year 2: 18/19	\$25,608	\$25,608
Year 3: 19/20	\$25,608	\$25,608
Year 4: 20/21	\$25,608	\$25,608
Total Cost	\$102,432	\$102,432

The new lease agreement will include eight lease printers for a monthly fee of \$2,134.00. The District is increasing from seven printers to eight printers to accommodate office and staff growth. This new lease agreement will allow the District to upgrade to newer multi-function printers that permits users to benefit from new technology, speed, quality, and efficiency.

Comparison to Xerox Lease through Cal eProcure

In comparison to the NJPA National Cooperative Lease Contract with Sharp, a similar lease plan for eight Xerox multi-function printers through Cal eProcure will cost the District \$30,456 annually compared to the Sharp lease of \$25,608 annually. The Xerox Cal eProcure lease is an extra \$4,848 annually for an increase cost of \$19,392 over a four-year period. In addition to the monthly lease fee, Xerox also charges 1) \$140 per hour for End User Training and 2) \$165 per hour for IT Training which Sharp provides without charge as part of the initial set-up.

Xerox Lease

Fiscal Year Exercised	Xerox Proposal
Year 1: 17/18	\$30,456
Year 2: 18/19	\$30,456
Year 3: 19/20	\$30,456
Year 4: 20/21	\$30,456
Total Cost	\$121,824

BOARD COMMITTEE REVIEW

This report was not previously reviewed by a Committee.

PUBLIC NOTICE

Public notice of this agenda item was provided as required by the Brown Act.

CEQA COMPLIANCE

This action does not constitute a project under CEQA

NEXT STEPS

Upon Board approval, the General Manager will direct staff to enter into this four-year lease and use agreement with Sharp Business Systems, after which, Sharp will remove the current leased printers and replace with new models.

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