

REPORT TO CITY COUNCIL

DATE: AUGUST 22, 2012

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

**BY: NATHAN HAMBURGER, ASSISTANT CITY MANAGER
CELESTE BIRD, ADMINISTRATIVE ANALYST**

SUBJECT: APPROVAL OF VENDOR AGREEMENT (ADDENDUM TO WESTERN STATES CONTRACTING ALLIANCE MULTIFUNCTION COPIERS AND RELATED SOFTWARE MASTER PRICE AGREEMENT 7-09-36-06 BETWEEN THE CITY OF AGOURA HILLS AND XEROX CORPORATION) FOR LEASE AND MAINTENANCE OF MULTIFUNCTION COPIERS

On April 11, 2012, the City Council authorized staff to solicit proposals for the lease of multifunction copiers. For the past five years, the City has leased two Ricoh multifunction copiers for approximately \$1,160 per month. The copiers include a medium-volume color copier located at the Recreation Center, and a high-volume black and white copier, located at City Hall. With the term of these lease agreements expiring in August and September 2012, respectively, staff felt it was appropriate to request proposals in order to provide opportunities for other qualified vendors to compete for the contract and to ensure the City is getting the best quality, functionality, and prices the industry has to offer.

A Request for Proposals (RFP) was issued on April 19, 2012, for four weeks. The RFP requested information on the features, performance, service requirements, and pricing of three different copiers; a high-volume black and white copier, a high-volume color copier, and a mid-volume color copier. Due to the high cost of color printing on our current color printer, which is over 8 (eight) years old, and the need to outsource larger color projects, staff felt it beneficial to evaluate the cost of replacing the existing high-volume black and white copier with a high-volume color copier. Proposals from five companies were received and evaluated by staff. Out of these five, one proposal was deemed incomplete and was disqualified. Listed below are the four remaining companies and their proposed monthly cost for a mid-volume color copier and a high-volume color copier.

Company	Proposed monthly cost*
Xerox Corporation	\$911
Ricoh	\$1,034
BMC, Inc	\$1,152
Konica Minolta	\$1,632

**Proposed monthly costs include both lease, volume and per copy usage rates.*

After evaluating all proposals, Xerox Corporation (Xerox) was determined to be the lowest, most responsive bidder for this project. Although the City has leased copiers from Xerox in the past, it has not been for many years. Staff contacted the listed references for Xerox. The responses were positive, each indicating that they have leased from Xerox for more than 10 (ten) years and have been happy with their products and service. With the current monthly cost for color printing and copying at approximately \$1,360 per month (\$1,160 lease plus \$200 per month for ink cartridges), the Xerox proposed monthly cost of \$911 per month could mean a savings of up to \$450 per month.

If approval is received, the term of the agreement would begin September 2012, with a not-to-exceed amount of \$70,000 for a 60 (sixty) month lease, and would expire September 2017. Staff felt that a 5 (five) year lease was appropriate, based on our current technological needs and lower usage requirements, which translates to slower equipment deterioration. This amount has been budgeted for in the adopted FY 2012-2013 budget.

The proposed agreement incorporates the Western States Contracting Alliance (WSCA) governmental pricing, terms and conditions, and has been reviewed by the City Attorney and approved as to form. Due to the voluminous size of the WSCA contract and exhibits, they are not included with this report, but are available for public viewing in the Council Chambers lobby and upon request at the public counter.

RECOMMENDATION

Staff respectfully recommends the City Council approve the vendor agreement for the lease and maintenance of multifunction copiers with Xerox Corporation.

Attachment: Vendor Agreement (Addendum to Western States Contracting Alliance Multifunction Copiers and Related Software Master Price Agreement 7-09-36-06 between the City of Agoura Hills and Xerox Corporation) for the Lease and Maintenance of Multifunction Copiers

ADDENDUM TO WESTERN STATES CONTRACTING ALLIANCE
MULTIFUNCTION COPIERS AND RELATED SOFTWARE MASTER PRICE
AGREEMENT 7-09-36-06 BETWEEN THE CITY OF AGOURA HILLS AND
XEROX CORPORATION

NAME OF VENDOR: Xerox Corporation

RESPONSIBLE PRINCIPAL OF VENDOR: Attn: Brian Stall, Reg. Sales Mgr.

VENDOR'S ADDRESS: 700 S. Flower Street, Ste. 700
Los Angeles, CA 90017

CITY'S ADDRESS: City of Agoura Hills
30001 Ladyface Court
Agoura Hills, CA 91301
Attn: Greg Ramirez, City Manager

PREPARED BY: Celeste Bird, Administrative Analyst

COMMENCEMENT DATE: September 14, 2012

TERMINATION DATE: September 13, 2017

CONSIDERATION: Contract Price
Not to Exceed: \$70,000/60 mo.
lease

ADDITIONAL SERVICES (<i>Describe Services, Amount, and Approval</i>): _____ _____ _____ _____
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Date: _____

Price)

Amount: \$ _____ Authorized By:
(Not to Exceed 10% of Contract
City Manager

ADDENDUM TO WESTERN STATES CONTRACTING ALLIANCE
MULTIFUNCTION COPIERS AND RELATED SOFTWARE MASTER PRICE
AGREEMENT 7-09-36-06 BETWEEN THE CITY OF AGOURA HILLS AND
XEROX CORPORATION

This Addendum to that certain Western States Contracting Alliance Multifunction Copiers & Related Software Master Price Agreement 7-09-36-06 is made and entered into this 14th day of September, 2012, by and between the City of Agoura Hills, a municipal corporation ("City") and Xerox Corporation. ("Vendor").

RECITALS

A. Vendor entered into a written Master Service Agreement (RFP/Contract #1715) with Western States Contracting Alliance, acting by and through the State of Nevada, dated September 15, 2009, for multifunction copier service and equipment pricing (the "Agreement"). The State of California is part of the Western States Contracting Alliance.

B. Vendor subsequently entered into a participating addendum, entitled "California Participating Addendum Western States Contracting Alliance ("WSCA") Multifunction Copiers & Related Software Xerox Corporation Master Price Agreement 7-09-36-06" ("California Master Price Agreement"), with the State of California.

C. City subsequently circulated a Request for Proposals on April 19, 2012 (the "RFP") for the lease, installation and maintenance of two multifunction copiers.

D. Vendor submitted a proposal (the "Proposal") in response to the RFP subject to the terms of this Addendum.

E. City and Vendor desire to enter into an Addendum to the California Master Price Agreement ("Addendum") to provide for additional terms and conditions.

NOW, THEREFORE, the parties agree as follows:

Section 1. Term. This Addendum shall commence on September 14, 2012 and shall continue in full force and effect until 11:59 p.m. on September 13, 2017 unless extended by mutual written agreement of the parties or sooner terminated as provided in this Addendum.

Section 2. Payment.

(a) The City agrees to pay Vendor monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit "A", Payment Rates and Schedule, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. Any terms in Exhibit "A", other than the payment rates and schedule of payment, are null and void. This amount shall not exceed Seventy Thousand Dollars and Zero Cents (\$70,000.00) unless additional payment is approved as

provided in this Addendum. Vendor shall honor the payment rates and terms provided in Exhibit "A" for the entire term of this Addendum.

(b) Vendor shall not be compensated for any services rendered in connection with its performance of this Addendum which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Vendor shall be compensated for any additional services in the amounts and in the manner as agreed to by the City Manager and Vendor at the time City's written authorization is given to Vendor for the performance of said services.

(c) The City Manager may approve additional work up to ten percent (10%) of the amount of the Addendum as approved by the City Council. Any additional work in excess of this amount shall be approved by the City Council.

(d) Vendor will submit invoices monthly for actual services performed. Invoices shall be submitted between the first and fifteenth business day of each month, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Vendor's fees, it shall give written notice to Vendor within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. For all reimbursements authorized by this Addendum, Vendor shall provide receipts on all reimbursable expenses in excess of fifty dollars (\$50) in such form as approved by the Director of Finance.

Section 3. Incorporated Documents. This Addendum hereby incorporates and expressly makes as a part of this Addendum the following documents listed in Subsections B-F (collectively "Incorporated Documents"), below, attached hereto and incorporated herein by this reference as though set forth in full. In the event of any conflict among these documents, the following descending order of precedence shall apply:

- A. The Addendum;
- B. The California Master Price Agreement (attached as Exhibit "B")
- C. California General Provisions ("California General Provisions") Revision 9/1/2009 (GSPD-401IT based on April 12, 2007) for Western States Contracting Alliance (WSCA) Multifunction Copiers and Related Software (attached as Exhibit "C")
- D. The City's Request for Proposals ("RFP") (attached as Exhibit "D")
- E. The Vendor's Proposal ("Proposal") (attached as Exhibit "E");
- F. The Agreement (attached as Exhibit "F"); and
- G. Exhibits to the Agreement (attached as Exhibit "G").

Section 4. For usage under this Addendum, the following sections of the California General Provisions are amended as follows:

(a) Section 6 (Applicable Law) of the California General Provisions is amended as follows:

“6. Applicable Law: This Contract shall be governed by and shall be interpreted in accordance with the laws of the State of California; venue of any action brought with regard to this Contract shall be in Los Angeles County. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Contract.”

(b) Section 28 (Indemnification) of the California General Provisions is amended as follows:

“28. Indemnification: The Vendor agrees to defend, indemnify, protect and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, actions, demands, losses, defense costs or expenses, including attorney fees and expert witness fees, or liability of any kind or nature which the City, its officers, agents and employees may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property arising out of Vendor's negligent or wrongful acts or omissions arising out of or in any way related to the performance or non-performance of this Contract, excepting only liability arising out of the negligence of the City.”

Section 5. Notices. Any notices which either party may desire to give to the other party under this Addendum must be in writing and may be given either by: (i) personal service; (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery; or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To City: City of Agoura Hills
30001 Ladyface Court
Agoura Hills, California 91301
Attention: Greg Ramirez, City Manager

To Vendor: Xerox Corporation
700 S. Flower Street, Ste. 700
Los Angeles, CA 90017
Attention: Bryan Stall, Regional Sales Manager

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[Signatures begin on next page]

EXECUTED the day and year first above stated.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed the day and year first above written.

CITY OF AGOURA HILLS

John M. Edelston
Mayor

ATTEST:

Kimberly Rodrigues, MMC
City Clerk

APPROVED AS TO FORM:

Candice K. Lee
City Attorney

**VENDOR
XEROX CORPORATION**

By: _____
Name:
Title:

By: _____
Name:
Title:

[Signatures of Two Corporate Officer Required]

EXHIBIT "A"

Payment Rates and Schedule

*Per the Western States Contracting Alliance (WSCA) Master Contract
Required web portal: www.portal.xerox.com/California*

Product Description

Item	Lease Term	Trade Information	Requested Install Date
1. WC7775P (Workcentre 7775 MFD) <ul style="list-style-type: none"> • Adv Finisher-2/3 hole • Convenience Stapler • Network Scanning Kit • Customer Ed • Analyst Services 	Lease Term: 60 months Purchase Option: FMV	Ricoh Aficio MP9000 Return to Vendor (CRP)	9/14/2012
2. W7556P (WC7556P PRINTER) <ul style="list-style-type: none"> • Hi Cap Tandem Tray • 3-hole Punch(fin-lx) • Convenience Stapler • Office Finisher Lx • Customer Ed • Analyst Services 	Lease Term: 60 months Purchase Option: FMV	Ricoh Aficio MP 4000 SP Return to Vendor (CRP)	9/14/2012

Monthly Pricing

Item	Lease	Print Charges			Maintenance Plan Features
		Meter	Volume Band	Per print rate	
WC7775P	\$301.42	BW Color	All prints All prints	\$0.0090 \$0.0707	- Consumable supplies included for all prints - Pricing fixed for term
W7556P	\$215.50	BW Color	All prints All prints	\$0.0051 \$0.0505	- Consumable supplies included for all prints - Pricing fixed for term
Total	\$516.92	Minimum Payment (excluding applicable taxes)			

**DUE TO THE VOLUMINOUS SIZE OF THIS DOCUMENT,
THE EXHIBITS/ATTACHMENTS ARE ON FILE AND AVAILABLE FOR REVIEW
IN THE OFFICE OF THE CITY CLERK
AND CAN BE VIEWED ON THE CITY'S WEBSITE AT:**

<http://www.ci.agoura-hills.ca.us>

EXHIBIT “B”

California Master Price Agreement 7-09-36-06

EXHIBIT “C”

**California General Provisions Revision 9/1/2009
(GSPD-401IT based on April 12, 2007) for
Western States Contracting Alliance (WSCA)
Multifunction Copiers and Related Software**

EXHIBIT “D”

City’s Request for Proposals (“RFP”)

EXHIBIT “E”
Vendor’s Proposal

EXHIBIT “F”

**Master Service Agreement (RFP/Contract #1715)
with Western States Contracting Alliance,
Acting by and through the State of Nevada,
dated September 15, 2009**

EXHIBIT “G”

Exhibits to the Agreement