

**Metropolitan Transportation Commission
Administration Committee**

July 13, 2022

Agenda Item 2e - 22-1056

Purchase Orders and Contracts - Copy/Print/Scan/Plot Services: Canon Financial Services, Inc. and Canon Solutions America, Inc. \$2,449,425)

Subject:

This memorandum requests the Committee's approval to negotiate and enter into agreements and to issue Purchase Orders (POs) to Canon Financial Services, Inc. and/or Canon Solutions America, Inc., to provide Copy/Print/Scan/Plot services ("copier" herein) at 375 Beale Street, in an aggregate amount not to exceed \$2,449,425 for Fiscal Years (FY) 2022-23 through 2027-28.

Background:

Staff is requesting authorization to acquire equipment sold by Canon Solutions America, Inc., and leased through Canon Financial Services, Inc. in POs and related agreements. Both companies are within the broader Canon, USA, family of companies. As a result of this, and after a review of contractual requirements, staff determined the agreements must be entered into with both Canon Financial Services, Inc., as the leasing agent and Canon Solutions America, Inc., as previously authorized.

The Administration Committee provided approval of an initial lease for copy/print/scan services in January of 2016. This agreement covered the equipment for employee copy/print/scan services on agency floors, but excluded the copy center used for large quantity printing which was procured under a separate agreement under executive director authority.

Moving forward, staff recommends procuring the copier services for agency floors under the master services agreement currently being used for the copy center equipment and services. This item requests approval for the entire cost of the copiers for all of MTC, including the large quantity copy center. Under this arrangement, the copy center contract will expire in 2026, while the copier(s) for agency floors will expire in 2028. Staff will use a graduated approach to replace copier equipment for the floors given the unpredictable scenario presented by the pandemic.

The \$2,449,425 in authority staff seeks through this action is broken down as follows: \$193,000 for printers for each of fiscal years 2022-23 through fiscal years 2026-27, comprised of \$85,000 in leasing costs and \$108,000 in maintenance costs; \$62,600 for plotter maintenance for each of fiscal year 2022-23 through fiscal year 2026-27; \$160,000 for printshop equipment maintenance

for each of fiscal year 2022-23 through fiscal year 2026-27; \$29,750 for Uniflow printing-related software for each of fiscal year 2022-23 through fiscal year 2026-27; and \$222,675 for anticipated cost increases over the next five fiscal years, which may be applied to any of the purchase orders or contracts for these fiscal years. Staff anticipates issuing purchase orders for these leases and services in fiscal year 2022-23 but may either issue purchase orders to either Canon entity or pursue contracts with either Canon entity referenced above for the remainder of the fiscal years. As such, staff requests authority for any combination of either purchase orders or contracts, so long as the cumulative total of the purchase orders and contracts does not exceed \$2,449,425.

Canon is a part of a cooperative procurement agreement administered by a third-party organization, of which MTC is a member, t Omnia Partners, Public Sector, under Contract #FI-R-0251-18. Bay Area Air Quality Management District currently uses Canon devices and services purchased through the Omnia Partners, Public Sector arrangement. This approach allows MTC to leverage the purchasing power of a nationally bid contract based on large quantity. Canon is neither a small nor disadvantaged business enterprise and has no subcontractors for this work.

Recommendations:

Staff requests that the Committee authorize the Executive Director or her designated representative to issue purchase orders to and/or negotiate contracts with Canon Financial Services, Inc. and/or Canon Solutions America, Inc., for the purposes described above, in an aggregate amount not to exceed \$2,449,425 over the next 5 years for FYs 2022-23 through 2027-28.

Attachments:

- Request for Committee Approval — Summary of Proposed Purchase Order Amendment



Therese W. McMillan

Request for Committee Approval

Summary of Proposed Purchase Order Amendment

Work Item No.: 1161

Consultant: Canon Solutions America Inc./Canon Financial Services, Inc.,

Work Project Title: Copy/Print/Scan Services

Purpose of Project: To provide copy/print/scan services.

Brief Scope of Work: To provide copy/print/scan services for MTC during FY 2022-23 through FY 2027-28.

Project Cost Not to Exceed: \$2,449,425

Funding Source: MTC General Fund

Fiscal Impact: Funds for FY 2022-23 is in the FY 2022-23 agency budget.
\$Funds in each FY 2023-24 through FY 2027-28 is subject to inclusion in future years' budgets.

Motion by Committee: That the Executive Director or designee is authorized to issue a purchase orders to or negotiate a contracts with either Canon Solutions America, Inc. and/or Canon Financial Services, Inc., for print/copy/scan/plot services for FY 2022-23 through FY 2027- 28 as described above and in the summary sheet dated July, 13 2022, and the Chief Financial Officer is authorized to set aside FY 2022-23 through FY 2027-28 funds in the amount of \$2,449,425 for such purchase orders or contracts, in an amount not to exceed \$445,350 per FY, subject to inclusion in each FY's budget.

Administration Committee:

Federal D. Glover, Chair

Approved: July 13, 2022