

RESOLUTION NO. 2007-4

AUTHORIZING CONTRACT NO. 2006-067A WITH KONICA MINOLTA BUSINESS SOLUTIONS U.S.A., INC. TO PROVIDE A DIGITAL MULTIFUNCTION USAGE PROGRAM, INCLUDING EQUIPMENT, SOFTWARE, MAINTENANCE AND SUPPLIES (EXCLUDING PAPER) TO THE AUTHORITY FOR A PERIOD OF THREE YEARS, WITH TWO ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$440,734.92 FOR THE BASE THREE YEARS AND IN AN AMOUNT NOT TO EXCEED \$146,911.64 FOR EACH OPTION YEAR FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$734,558.20 (GENERAL FUND, SUPPORT SERVICES DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority has determined the need to contract for a Digital Multifunction Usage Program (Copier/Printer/Scanner/Fax) including; continuous upgrades, comprehensive maintenance, and all supplies (excluding paper) for a period of three years with two one-year options; and

WHEREAS, the offer of Konica Minolta Business Solutions U.S. A., Inc. located at 18601 Cleveland Parkway, Suite 100, Cleveland, Ohio 44135 to provide these products and services was received on September 26, 2006; and

WHEREAS, Konica Minolta Business Solutions U.S.A., Inc. has offered to perform said work for the base three years in an amount not to exceed \$440,734.92 for the base three years and in an amount not to exceed \$146,911.64 for each option year, for a total negotiated contract amount not to exceed \$734,558.20; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Konica Minolta Business Solutions U.S.A., Inc., as negotiated, to be the most advantageous to the Authority, cost and other factors considered, and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the offer of Konica Minolta Business Solutions U.S.A., Inc. as modified by negotiations, for providing a digital multifunction usage program, including equipment, software, maintenance and all supplies (excluding paper) for a period of three years, with two one-year options, be and the same is hereby accepted as being in the best interest of the Authority.

Section 2. That the General Manager/Secretary-Treasurer be and he hereby is authorized to enter into a contract with Konica Minolta Business Solutions U.S.A., Inc. to provide a digital multifunction usage program for a term of three years, with the authority to exercise two one-year options.

Section 3. That said contract shall be payable out of the General Fund, Support Services Department budget, in an amount not to exceed four hundred forty thousand seven hundred thirty-four & 92/100 dollars (\$440,734.92) for the base three years with the Authority retaining two, one-year options in an amount not to exceed one hundred forty-six thousand nine hundred eleven & 64/100 dollars (\$146,911.64) for each option year for a total contract amount not to exceed seven hundred thirty-four thousand five hundred fifty-eight & 20/100 dollars (\$734,558.20).

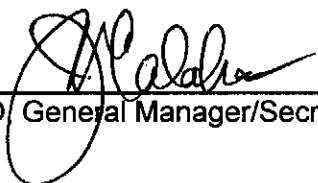
Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2006-77; bonding and insurance requirements and all applicable laws relating to the contractual obligation of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Konica Minolta Business Solutions U.S.A., Inc. will attempt to exceed the 10% DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: January 16, 2007

  
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President

Attest:   
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CEO General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

<b>TITLE/DESCRIPTION:</b> AUTHORIZING CONTRACT NO. 2006-067A WITH KONICA MINOLTA BUSINESS SOLUTIONS U.S.A., INC. TO PROVIDE A DIGITAL MULTIFUNCTION USAGE PROGRAM, INCLUDING EQUIPMENT, SOFTWARE, MAINTENANCE AND SUPPLIES (EXCLUDING PAPER) TO THE AUTHORITY FOR A PERIOD OF THREE YEARS, WITH TWO ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$440,734.92 FOR THE BASE THREE YEARS, AND IN AN AMOUNT NOT TO EXCEED \$146,911.64 FOR EACH OPTION YEAR FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$734,558.20 (GENERAL FUND, SUPPORT SERVICES DEPARTMENT BUDGET)	<b>Resolution No.:</b> 2007-4
	<b>Date:</b> January 11, 2007
	<b>Initiator:</b> Support Services Department
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a contract to provide a digital multifunctional usage program including equipment, software, maintenance and supplies for a period of three years with two, one-year options.
  
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has an on-going need to support internal and external communication needs in the production of correspondence, reports, agendas, memos, contracts, RFP's, schedules, inserts, forms, brochures, newsletters, resolutions, etc. varying in volume, frequency, size, technical specifications and delivery schedules. The GCRTA desires to obtain digital multifunction products and services to meet this need. In addition, services are included to assist the Authority in streamlining its documents management; storage, retrieval, and workflow analysis.
  
- 3.0 **PROCUREMENT BACKGROUND:** The Request for Proposal was posted on the GCRTA web site and advertised in the local newspapers. Proposers were asked to propose on providing a digital multifunction usage program and/or a wide format digital printer/scanner. Twenty-nine (29) vendors downloaded the RFP. Seven (7) proposals were received on September 26, 2006 for the digital multifunction usage program. After evaluation by a panel of Authority employees in accordance with established Procurement Policies and Procedures, and subsequent negotiations, the proposal of Konica Minolta Business Solutions U.S.A., Inc. (KMBS) was selected to be the most advantageous to the Authority to provide digital multifunction copier/printers/scanner/fax equipment and services. Konica Minolta Business Solutions U.S.A., Inc. is the result of the merger of Konica Company and Minolta Corporation in 2003. The benefits of this merger include increased market share, wide breadth of product line, research and development, services and networking, manufacturing, technical service and support. This contract was previously held by Ohio Business Machines which was purchased by Konica Minolta Business Solutions U.S.A., Inc. KMBS, Inc. continues to employ many of the same representatives, technicians and staff. Other local clients include Metro Health Medical Center, The American Red Cross, SARTA (Stark Area Regional Transit Authority), Progressive Insurance, Lubrizol and Parker-Hannifin.

A cost analysis has been performed and the Procurement Department has determined that the negotiated rates of services are fair, reasonable and advantageous to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 10% DBE goal was established for this procurement. Konica Minolta Business Solutions U.S.A., Inc has committed to 15% DBE participation goal through the utilization of Overlook Communications in an amount totaling at least \$66,110.00 during the base three year contract period and in an amount totaling at least \$22,037 for each option year.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** The contract will be funded through the General Fund, Support Services Department budget in an amount not to exceed four hundred forty thousand seven hundred thirty-four & 92/100 dollars (\$440,734.92) for the base three years with the Authority retaining two, one-year options in an amount not to exceed one hundred forty-six thousand nine hundred eleven & 64/100 dollars (\$146,911.64) for each option year for a total contract amount not to exceed seven hundred thirty-four thousand five hundred fifty-eight & 20/100 dollars (\$734,558.20). This is within the budgeted amount for these services.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of the offer would leave the Authority without an efficient and cost effective copier usage program.
- 8.0 **RECOMMENDATION:** It is recommended that the offer of Konica Minolta Business Solutions U.S.A., Inc., as modified by negotiations, be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 **ATTACHMENTS:** None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

  
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CEO, General Manager/Secretary-Treasurer