

COUNCIL COMMUNICATION

	Number:	19-408	Meeting:	September 23, 2019
	Agenda Item:	63	Roll Call:	19-1551
	Submitted by:	Bob Fagen, Finance Director		

AGENDA HEADING:

Recommend approval of a 5-year lease agreement between the City of Des Moines and Koch Brothers, Inc. (Richard Koch Jr., President, 301 E. Locust, Des Moines, IA 50309) for the lease of 81 multi-function devices (printer, copier, scanner, and facsimile) per U.S. Communities Government Purchasing Alliance Contract 4400003732.

SYNOPSIS:

Recommend approval of a lease agreement with Koch Brothers to provide copier service and equipment for city-wide use for a 5-year period. The equipment and services are available to the City through the U.S. Communities Government Purchasing Alliance Contract which is a national cooperative purchasing program for schools, non-profit organizations, and state and local governments. The contract is competitively bid through the cooperative.

FISCAL IMPACT:

Amount: 5-year total: not to exceed \$709,391.22.

This is a 5-year agreement effective September 30, 2019 through September 29, 2024, with 60 monthly payments.

Funding Source: FY2019-2020 Operating Budget, general fund and various enterprise funds of City department.

ADDITIONAL INFORMATION:

- Upon City Council approval, the City and Koch Brothers, Inc. entered into a month-to-month contract extension for City-wide copier equipment and services in June 2019. This contract extension granted the Finance Department and the Information Technology (IT) Department time to review the copier requirement of each department, compare various options for equipment and services, and recommend the most cost-effective method for procuring these goods and services.
- After an analysis of the current monthly equipment and service costs, it has been determined that the City can save approximately \$62,000 a year by entering into a 5-year agreement for copier equipment and services with Koch Brothers, Inc. using the U.S. Communities Government Purchasing Alliance Contract 4400003732.

PREVIOUS COUNCIL ACTION(S):

Date: September 9, 2019

Roll Call Number: [19-1401](#)

Action: On lease agreement with Koch Brothers, Inc. (Richard Koch Jr., President) for the lease of 81 multi-function devices (printer, copier, scanner and facsimile) for use in City operations for a 5-year period, not to exceed \$709,391.22, (9-23-19). Moved by Boesen to adopt. Motion Carried 7-0.

Date: June 24, 2019

Roll Call Number: [19-1022](#)

Action: [Good](#) cause to exempt procurement of copier equipment and services, from bidding requirements and approval of amendment to agreement with KB Solution (Koch Brothers), for renewal of agreement. ([Council Communication No. 19-298](#)) Moved by Boesen to adopt. Motion Carried 6-1. Absent: Cownie.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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