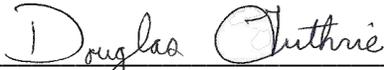


## REPORT OF THE PRESIDENT &amp; CEO

April 22, 2021

**RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A FIVE-YEAR CONTRACT WITH XEROX CORPORATION FOR THE LEASE OF A XEROX NUVERA MFF-100 PRODUCTION COPIER, FOR AN AMOUNT NOT TO EXCEED \$270,000**



Douglas Guthrie  
President & Chief Executive Officer



Tina Smith-Booth  
Asset Management Director

**Purpose:** The Housing Authority of the City of Los Angeles' ("HACLA")'s print shop provides large-volume copying, binding and the more demanding reprographic jobs for the HACLA. HACLA's large production copier (the Xerox Nuvera 100), located in the central print shop is five years old, breaks down frequently and has become obsolete, and the demand for larger print jobs has increased the average monthly impression count to approximately 250,000 from the previous 125,000 count.

**Procurement:** The U.S. Department of Housing and Urban Development (HUD) permits and encourages housing authorities to purchase common goods and services that are routine in nature under competitively awarded contracts entered into by other public agencies through a procedure called "Cooperative Purchasing" (also known as "piggy-backing") to realize greater economy, efficiencies and reduce costs. Managed print solutions qualify as routine services, suitable for cooperative purchasing.

OMNIA Partners, Public Sector ("OMNIA"), is the largest cooperative purchasing organization for public sector procurement. They have brought together the nation's two leading cooperative purchasing organizations – National IPA and U.S. Communities under one roof to form OMNIA. The collective buying power of these unified purchasing cooperatives delivers superior value and savings for public agencies nationwide. HACLA has determined that utilizing an OMNIA cooperative purchasing contract would be the most economical and preferred method of procuring managed print solutions.

On June 1, 2017, Region 4 Educational Services ("Region 4") issued a Request for Proposal ("RFP") (No. 17-14), for Managed Print Solutions, resulting in a cooperative purchasing contract between Region 4 and Xerox Corporation ("Xerox") (Contract No. R171406), effective March 1, 2018 through February 28, 2022, with an additional one-year option to renew, through February 28, 2023.

By executing a contract with Xerox, HACLA will be able to lease a Xerox Nuvera MFF-100 copier to replace the existing large production copier in the Print Shop and obtain regular servicing and maintenance on that copier for five years from May 2021 to May 2026. The proposed five-year contract with Xerox is for a total amount not-to-exceed \$270,000, which covers the lease cost including maintenance and supplies (excluding paper). Xerox acknowledges that the term of the recommended contract will exceed the current term of the piggyback contract with OMNIA but has agreed to maintain the same pricing. Utilization of Contract No. R171406 under the terms agreed to with Xerox has been

determined both efficient and economical and harnesses the purchasing power of OMNIA.

**Vision Plan:** **PATHWAYS Strategy #7: Identify opportunities to reduce operating and administrative costs so that scarce resources are maximized.**

The goal of this contract is to reduce the Department's operating costs by shifting their duplicating operations to the mailroom print shop and reduce the operating and maintenance expense. The updated Xerox equipment will improve the utilization of better technology to achieve optimal performance and time savings. In addition, Xerox will provide training on the operation and minor maintenance of the Nuvera MFF-100.

**Funding:** The Chief Administrative Officer confirms the following:

*Source of Funds:* The cost of managed print services is allocated to the various programs of the HACLA based on actual usage by each program and will therefore be funded through operating revenues from various programs.

*Budget and Program Impact:* These expenditures are included in the 2021 operating budgets of each program and will be budgeted as needed in subsequent years.

**Environmental Review:** Not Applicable

**Section 3:** The Xerox contract is primarily an equipment lease with a minimal labor component that does not lend itself to traditional Section 3 hiring opportunities. Xerox does not expect any new jobs to be generated as a result of this contract. Moreover, this is a piggy-back contract, the terms of which have been previously negotiated. However, to support HACLA's Section 3 efforts, Xerox has proposed to contribute to the Authority's Section 3 Fund. The contribution funds will be used for scholarship purposes to HACLA's public housing residents.

Xerox has been a staunch supporter of HACLA's Section 3 Scholarship program and to date has contributed over \$17,000 in scholarship funds via its other contracts with the Authority.

**Attachments:**

1. Resolution

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A FIVE-YEAR CONTRACT WITH XEROX CORPORATION FOR THE LEASE OF A XEROX NUVERA MFF-100 PRODUCTION COPIER, FOR AN AMOUNT NOT TO EXCEED \$270,000**

**WHEREAS**, the Housing Authority of the City of Los Angeles' ("HACLA's") print shop provides large volume copying, binding and more demanding reprographic jobs which requires the use of a large production copier;

**WHEREAS**, HACLA's existing large production copier has surpassed its useful life and has become unreliable and obsolete;

**WHEREAS**, the U.S. Department of Housing and Urban Development ("HUD") encourages housing agencies to purchase common goods and services that are routine in nature under contracts awarded by other public agencies through a "cooperative purchasing" procedure ("piggy-backing") to realize greater economy, efficiencies, and reduce costs;

**WHEREAS**, OMNIA's competitive solicitation for managed print solutions (Request for Proposal No. 17-14), resulted in award of a cooperative purchasing contract with Xerox Corporation ("Xerox") (Contract No. R171406), which is effective through February 28, 2022, with one (1) additional option to renew;

**WHEREAS**, HACLA has independently determined that: (i) pricing of the OMNIA contract is reasonable; (ii) the procurement was conducted fairly and with adequate vendor participation; and (iii) that it is economical to piggy-back off of the OMNIA procurement;

**WHEREAS**, HACLA desires to enter into a contract with Xerox for the lease of a Xerox Nuvera MFF-100 production copier ("Copier") for a maximum term of five-years and a total contracting amount not-to-exceed \$270,000; and

**WHEREAS**, the cost of Year 1 of the contract is included in the Authority's 2021 budget, and the remaining balance will be budgeted in subsequent years.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners hereby authorizes the President and CEO, or designee, to execute a contract with Xerox for lease of the Copier for a maximum term of five-years in a total amount not-to-exceed \$270,000.

**BE IT FURTHER RESOLVED** that this Resolution shall take effect immediately.

APPROVED AS TO FORM

HOUSING AUTHORITY OF THE  
CITY OF LOS ANGELES

By: \_\_\_\_\_  
James Johnson, General Counsel

By: \_\_\_\_\_  
Cielo Castro, Acting Chairperson

DATE ADOPTED: \_\_\_\_\_