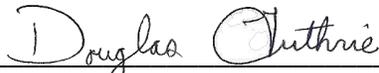


## REPORT OF THE PRESIDENT AND CEO

June 23, 2022

**RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A CONTRACT WITH RICOH USA, INC., FOR AN INITIAL THREE-YEAR TERM WITH TWO (2) ONE-YEAR OPTIONS FOR RENEWAL, FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED \$1,310,000, TO PROVIDE MULTI-FUNCTIONAL OFFICE COPIERS INCLUDING ACCESSORIES, SUPPORT, MAINTENANCE, PROFESSIONAL SERVICES, SOFTWARE AND PARTS**



Douglas Guthrie  
President and CEO



Luis Yataco  
Information Technology Officer

**Purpose:** Authorize the President and CEO, or designee, to execute a contract with Ricoh USA, Inc., (“Ricoh”) for an initial three-year term with two (2) one-year options for renewal, for a total contract amount not-to-exceed \$1,310,000, to provide multi-functional office copiers including accessories, support, maintenance, professional services, software and parts.

**Issues:** To meet its printing and copier needs, the Housing Authority of the City of Los Angeles (“HACLA”) has been leasing a fleet of eighty-five (85) walk-up office copiers from the Xerox Corporation under the terms of a current lease. These types of devices are critical to HACLA operations. They allow for optimized document workflows and help maintain cost by reducing the number of different devices needed to support the needs of various groups of employees.

HACLA has an on-going need for multi-functional devices to maintain operational performance. The majority of the devices are located throughout the headquarters building located at 2600 Wilshire Blvd. The devices are used by all business units. The remaining devices are located throughout other HACLA facilities including Public Housing management offices, Section 8 offices (Valley, South and Independent Square), management offices for some Asset Management properties and multi-purpose locations, such as trailers or employment centers.

Ricoh has offered HACLA a new lease which will meet our business needs and demands, productivity and cost objectives. The monthly cost will increase by 15% from the previous vendor contract; however, HACLA should benefit from a decrease in service tickets and downtime. The contract includes a new per page print cost for b/w (\$0.0058), color (\$0.0439) and average monthly device lease (\$188.00). Additionally, the overall cost increase covers maintenance, support

and supplies. In conclusion, HACLA shall benefit from Ricoh's customer service and the quality of their equipment which will lead to less down time and overall increase in productivity for our end users.

**Procurement:**

The proposed contract is based on a cooperative purchasing contract awarded through OMNIA Partners ("OMNIA"), formerly known as the U.S. Communities Government Purchasing Alliance. OMNIA is the largest cooperative purchasing organization for public sector procurement. Cooperative contracts are competitively solicited and publicly awarded by a government entity serving as the lead agency, thereby allowing other public agencies to harness the purchasing power of the cooperative, and attendant aggressive pricing not generally available through individual procurement efforts.

OMNIA awarded Ricoh USA, Inc., a contract after a competitive process. On April 21, 2020, OMNIA, in partnership with the Regents University of California ("UC"), advertised Request for Proposal ("RFP") (001811-Feb2020) on nineteen (19) websites and newspaper publications, to provide multifunction devices ("MFDs") with copy, print, scan and optional fax functionality, and/or Laser Printers, along with products and support ("Print Goods and Services"), which resulted in a cooperative purchasing contract between UC and Ricoh USA, Inc., herein called "UC-Ricoh Agreement". The UC-Ricoh Agreement is effective through January 25, 2026, with five (5) additional one-year options to renew through January 25, 2031.

HACLA has determined that piggybacking off of the proposed contract will satisfy its Procurement Policy and HUD's criteria for cooperative purchasing because: (i) use of the UC-Ricoh Agreement will provide for greater economy and efficiency and result in cost savings to HACLA; (ii) the nature of the goods is routine; (iii) the scope of the goods to be provided is sufficiently equivalent to the scope of the goods required; (iv) the UC-Ricoh Agreement was procured in compliance with 2 CFR Part 200; and (v) the cost and availability of the goods were evaluated as part of the solicitation and the UC-Ricoh Agreement will be re-evaluated by staff on an annual basis. Moreover, as noted above, through harnessing the purchasing power of OMNIA, HACLA will realize greater economies and efficiencies.

**Vision Plan:** *Pathways Strategy #5.3, Identify and evaluate current HACLA processes across business lines for "automation gaps" and systems bottlenecks to expand usefulness of technology to handle current manual processes and increase productivity,*

HACLA is monitoring closely all paper intense business processes to identify areas for further automation with the overall goal to expedite processes while using less paper. This is accomplished with self-service interactive web-portals used to

receive applications for assistance and web-portals used to collect information for eligibility certifications. The use of these portals reduces the amount of paper required to complete these processes. It is anticipated that that the number of devices and number of pages copied or printed will be reduced over the next five years due to the increase in adoption of self-service technologies. This is factored into the calculated five-year cost of the contract.

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

*Source of Funds:* These copiers will support the operational needs of the entire agency and will be funded through operating revenue from various programs.

*Budget and Program Impact:* This expenditure is included in HACLA’s FY2022 Operating budget and will be included in subsequent years.

	Y1	Y2	Y3	Y4	Y5
Device and Maintenance	\$229,770	\$220,579	\$211,388	\$202,198	\$194,129
Printing and Supply Cost	\$54,710	\$52,522	\$50,334	\$48,145	\$46,224
<b>Total</b>	<b>\$284,480</b>	<b>\$273,101</b>	<b>\$261,722</b>	<b>\$250,343</b>	<b>\$240,354</b>
<b>Five Year Total</b>					<b>\$1,310,000</b>

**Environmental Review:** Not Applicable

**SECTION 3:** The recommended contract with Ricoh is primarily an equipment lease with a minimal labor component that does not lend itself to traditional Section 3 hiring opportunities. Ricoh does not expect any new jobs to be generated as a result of this contract. However, to support HACLA’s Section 3 efforts, the vendor has proposed to contribute to HACLA’s Section 3 Fund. The contribution funds will be used for tuition to technical training programs, junior college or other trade schools.

**Attachment:**

1. Resolution

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

**RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A CONTRACT WITH RICOH USA, INC., FOR AN INITIAL THREE-YEAR TERM WITH TWO (2) ONE-YEAR OPTIONS FOR RENEWAL, FOR A TOTAL CONTRACT AMOUNT NOT-TO-EXCEED \$1,310,000, TO PROVIDE MULTI-FUNCTIONAL OFFICE COPIERS INCLUDING ACCESSORIES, SUPPORT, MAINTENANCE, PROFESSIONAL SERVICES, SOFTWARE AND PARTS**

**WHEREAS**, the Housing Authority of the City of Los Angeles (“HACLA”) has a continuing need for multi-functioning office copiers including accessories, support, maintenance, software and parts, at its various offices for walk-up photocopying needs;

**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**, on April 21, 2020, OMNIA, in partnership with the Regents University of California (“UC”), advertised Request for Proposal (“RFP”) (001811-Feb2020) on nineteen (19) websites and newspaper publications, to provide multifunction devices (“MFDs”) with copy, print, scan and optional fax functionality, and/or Laser Printers, along with products and support (“Print Goods and Services”), which resulted in a cooperative purchasing contract between UC and Ricoh USA, Inc. herein called the “UC-Ricoh Agreement”;

**WHEREAS**, the UC-Ricoh Agreement is effective through January 25, 2026 with five (5) additional one-year options to renew through January 25, 2031;

**WHEREAS**, for the reasons set forth in the Report of the President and CEO of the same date herewith, HACLA desires to enter into an initial three (3) year term contract with two (2) one year options to renew, with Ricoh USA, Inc., to provide Print Goods and Services, in a total contracting amount not-to-exceed \$1,310,000 (the “Ricoh Contract”), pursuant to the UC-Ricoh Agreement; and

**WHEREAS**, funds for the Ricoh Contract are included in the HACLA’s operating budget and the remainder of the funding is subject to budget approval in fiscal year 2023 and subsequent years.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners authorizes the President and CEO, or designee, to execute the Ricoh Contract.

**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, Chairperson

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