

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS APPROVING A PIGGYBACK AGREEMENT WITH RICOH AMERICAS CORPORATION IN ACCORDANCE WITH MILPITAS MUNICIPAL CODE SECTION I-2-3.07

WHEREAS, Section I-2-3.07 of the Milpitas Municipal Code authorizes the City Council to enter into agreements without a competitive process when the Purchasing Agent determines that a piggyback purchase is in the City’s best interest and certain findings are made; and

WHEREAS, the City of San Jose conducted a nationwide competitive solicitation in April 2007 for “Copier/ Multi-Function Devices for Citywide Use” and awarded a contract to Ricoh Americas Corporation, a copy of which was obtained and reviewed for compliance with the City’s Purchasing Ordinance by the Purchasing Agent; and

WHEREAS, pursuant to Milpitas Municipal Code Section I-2-3.07 (“Piggyback Procurement”); the City’s Purchasing Agent has reviewed the San Jose solicitation and agreement with Ricoh Americas Corporation and finds each of the following:

- a. There are no local suppliers or contractors who could provide the product or service at competitive rates;
- b. A copy of the solicitation has been obtained from the originating agency and reviewed for compliance with the City's Purchasing Ordinance;
- c. The specifications of the item or service required by the City are not materially different from those specified in the originating agency's solicitation;
- d. The price of the purchase is lower than that estimated for the purchase if made directly by the City;
- e. The contract resulting from the original solicitation is current;
- f. No more than a ten percent (10%) variation is allowed for customizing the order or for desirable options. In addition, a cost of living adjustment (using San Francisco-Oakland-San Jose Consumer Price Index— All Urban Consumers) can be added for up to two (2) years; and
- g. The City will enter into a separate contract with the vendor selected by the originating agency.

WHEREAS, the City of San Jose’s solicitation that resulted in the agreement with Ricoh Americas Corporation is based on pricing which has been fixed for five (5) years for a term of July 1, 2014 to June 30, 2019; and

WHEREAS, the City’s Purchasing Agent has reviewed each of the findings required in Milpitas Municipal Code Section I-2-3.07 and determined the proposed agreement with Ricoh Americas Corporation would be in full compliance with the City’s requirements as explained herein.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

- 1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
- 2. The City Council approves the agreement between the City of Milpitas and Ricoh Americas Corporation for rental of Copiers/Multi-Function Devices for a term from July 1, 2014 to June 30, 2019 in an amount not to exceed Sixty Thousand Dollars (\$60,000.00) per fiscal year from July 1st to June 30th. A copy of the agreement is attached to this Resolution as **Exhibit A**.

PASSED AND ADOPTED this ___ day of _____, 2014, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Jose S. Esteves, Mayor

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

EXHIBIT A TO RESOLUTION

PIGGYBACK AGREEMENT FOR COPIERS/MULTI-FUNCTION DEVICES BETWEEN THE CITY OF MILPITAS AND RICOH AMERICAS COPORATION

THIS PIGGYBACK AGREEMENT is made and entered into this 4th day of June 2014, by and between the CITY OF MILPITAS, a municipal corporation of the State of California (hereinafter "CITY") and RICOH AMERICAS CORPORATION, a Delaware corporation registered in the State of California (hereinafter "VENDOR"). CITY and VENDOR are hereafter individually referred to as a "PARTY" and hereafter collectively referred to as the "PARTIES." This PIGGYBACK agreement is based on the "Agreement for Copiers/Multi-Functioning Devices for Citywide Use Between the City of San Jose and Ricoh Business Solutions a Division of Ricoh Americas Corporation" and incorporates the pricing of the "Third Amendment to the Agreement for Copiers/Multi-Functioning Devices for Citywide Use Between the City of San Jose and Ricoh Americas Corporation"

THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. **SCOPE OF SERVICES.**

VENDOR shall perform those services specified in detail in EXHIBIT A, entitled "SCOPE OF SERVICES", which is attached hereto and incorporated herein.

SECTION 2. **TERM OF AGREEMENT.**

The term of this AGREEMENT shall be from July 1, 2014 to June 30, 2019, inclusive, subject to the provisions of SECTION 11 of this AGREEMENT.

SECTION 3. **SCHEDULE OF PERFORMANCE.**

The services of VENDOR are to be completed according to the schedule set out in EXHIBIT B, entitled "SCHEDULE OF PERFORMANCE", which is attached hereto and incorporated herein. Time is of the essence in this AGREEMENT.

SECTION 4. **COMPENSATION.**

The compensation to be paid to VENDOR, including both payment for professional services and reimbursable expenses (if any), shall not exceed Sixty Thousand Dollars (\$60,000.00) in any fiscal year from July 1st to June 30th during the term of this AGREEMENT. The rate and schedule of payment is set out in EXHIBIT C, entitled "COMPENSATION," which is attached hereto and incorporated herein.

SECTION 5. **METHOD OF PAYMENT.**

Each month, VENDOR shall furnish to the CITY a statement of the work performed for compensation during the preceding month. Such statement shall also include a detailed record of the month's actual reimbursable expenditures. For additional information, see EXHIBIT C "COMPENSATION."

SECTION 6. **INDEPENDENT CONTRACTOR.**

It is understood and agreed that VENDOR, in the performance of the work and services agreed to be performed by VENDOR, shall act as and be an independent contractor and not an agent or employee of CITY; and as an independent contractor, VENDOR shall obtain no rights to retirement benefits or other benefits which accrue to CITY's employees, and VENDOR hereby expressly waives any claim it may have to any such rights.

SECTION 7. **ASSIGNABILITY.**

The parties agree that the expertise and experience of VENDOR are material considerations for this AGREEMENT. VENDOR shall not assign or transfer any interest in this AGREEMENT nor the performance of any of VENDOR's obligations hereunder, without the prior written consent of CITY, and any attempt by VENDOR to so assign this AGREEMENT or any rights, duties or obligations arising hereunder shall be void and of no effect.

SECTION 8. **INDEMNIFICATION.**

To the fullest extent permitted by law, VENDOR shall defend, indemnify and hold harmless CITY, its officers, employees and agents against any claim, loss or liability arising out of or resulting in any way from work or activities performed under this AGREEMENT due to the willful or negligent acts (active or passive) or omissions by VENDOR's officers, employees or agents. The acceptance of said services and duties by CITY shall not operate as a waiver of such right of indemnification.

SECTION 9. **INSURANCE REQUIREMENTS.**

VENDOR agrees to have and maintain the policies set forth in EXHIBIT D, entitled "INSURANCE," which is attached hereto and incorporated herein. VENDOR agrees to provide CITY with a copy of said policies, certificates and/or endorsements before work commences under this AGREEMENT.

SECTION 10. **NONDISCRIMINATION.**

VENDOR shall not discriminate, in any way, against any person on the basis of race, sex, color, age, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity, or national origin, in connection with or related to the performance of this AGREEMENT.

SECTION 11. **TERMINATION.**

- A. CITY shall have the right to terminate this AGREEMENT, without cause, by giving not less than seven (7) days written notice of termination.

- B. If VENDOR fails to perform any of its material obligations under this AGREEMENT, in addition to all other remedies provided by law, CITY may terminate this AGREEMENT immediately upon written notice.

- C. CITY's Purchasing Agent is empowered to terminate this AGREEMENT on behalf of CITY.

- D. In the event of termination, CITY shall pay VENDOR for services performed and reimbursable expenses incurred to the date of termination.

SECTION 12. **MODIFICATION.**

- A. Amendments. The PARTIES may amend this AGREEMENT only by a writing signed by all the parties.

- B. Survival. All obligations arising prior to the termination of this AGREEMENT and all provisions of this AGREEMENT allocating liability between CITY and VENDOR shall survive the termination of this AGREEMENT..

SECTION 13. **GOVERNING LAW.**

CITY and VENDOR agree that the law governing this AGREEMENT shall be that of the State of California.

SECTION 14. **COMPLIANCE WITH LAWS.**

VENDOR shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments. Without limiting the generality of the preceding sentence, VENDOR shall comply with the provisions of CITY's Business Tax Ordinance in the Milpitas Municipal Code.

SECTION 15. **BUSINESS LICENSE AND PERMITS.**

VENDOR represents and warrants to CITY that VENDOR and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. VENDOR represents and warrants to CITY that VENDOR and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this AGREEMENT any licenses, permits, and approvals that are legally required to practice their respective professions and to perform this AGREEMENT. In addition to the foregoing, VENDOR and any subcontractors shall obtain and

maintain during the term of this AGREEMENT valid business license from CITY pursuant to the Milpitas Municipal Code, Title III Business and Professions, Section 1-4.01.

SECTION 15. **CONFIDENTIAL INFORMATION.**

All data, documents, discussions or other information developed or received by or for VENDOR in performance of this AGREEMENT are confidential and not to be disclosed to any person except as authorized by CITY, or as required by law.

SECTION 16. **OWNERSHIP OF MATERIALS.**

All reports, documents or other materials developed or discovered by VENDOR or any other person engaged directly or indirectly by VENDOR to perform the services required hereunder shall be and remain the property of CITY without restriction or limitation upon their use.

SECTION 17. **WAIVER.**

VENDOR agrees that waiver by CITY of any breach or violation of any term or condition of this AGREEMENT shall not be deemed to be a waiver of any other term or condition contained herein or a waiver of any subsequent breach or violation of the same or any other term or condition. The acceptance by CITY of the performance of any work or services by VENDOR shall not be deemed to be a waiver of any term or condition of this AGREEMENT.

SECTION 18. **VENDOR'S BOOKS AND RECORDS.**

A. VENDOR shall maintain any and all ledgers, books of account, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to CITY for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to VENDOR pursuant to this AGREEMENT.

B. VENDOR shall maintain all documents and records which demonstrate performance under this AGREEMENT for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this AGREEMENT.

C. Any records or documents required to be maintained pursuant to this AGREEMENT shall be made available for inspection or audit at no cost to CITY, at any time during regular business hours, upon written request by the City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such documents shall be provided to CITY for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at VENDOR's address indicated for receipt of notices in this AGREEMENT. VENDOR acknowledges that under certain circumstances specified in California Government Code Section 8546.7, this AGREEMENT (if it involves an expenditure of TEN THOUSAND DOLLARS (\$10,000.00) or more of public funds) may be subject to

examination and audit by the Auditor of the State of California pursuant to California Government Code Section 8546.7.

D. Where CITY has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of VENDOR's business, CITY may, by written request by any of the above-named officers, require that custody of the records be given to CITY and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by VENDOR, VENDOR's representatives, or VENDOR's successor-in-interest.

SECTION 19. CONFLICT OF INTEREST.

VENDOR shall avoid all conflict of interest or appearance of conflict of interest in performance of this AGREEMENT. As of the date of entering into this AGREEMENT, VENDOR's employees assigned to perform services as specified in EXHIBIT A of this AGREEMENT ("VENDOR's Assigned Employees") shall not be required to complete and file a Form 700 with CITY's Clerk. In the event that the CITY subsequently determines to require VENDOR's Assigned Employees to complete and file a Form 700 with CITY's Clerk, CITY will notify VENDOR in writing of such requirement, including without limitation, instructions regarding the categories of economic interests subject to disclosure on the Form 700 ("Form 700 Notice"). VENDOR shall cause VENDOR's Assigned Employees to complete and file the Form 700 with CITY's Clerk and to submit a copy to Christopher Schroeder, Purchasing Agent, in accordance with the instructions specified in the Form 700 Notice, no later than thirty (30) days of the date of the Form 700 Notice.

SECTION 20. NOTICES.

All notices and other communications required or permitted to be given under this AGREEMENT shall be in writing and shall be personally served or mailed, postage prepaid and return receipt requested, addressed to the respective parties as follows:

To CITY: City of Milpitas
Chris Schroeder
455 East Calaveras Blvd.
Milpitas, CA 95035

To VENDOR: _____

Notice shall be deemed effective on the date personally delivered or, if mailed, three (3) days after deposit in the mail.

SECTION 21. VENUE.

In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the state courts of the County of Santa Clara, or if federal jurisdiction is appropriate, exclusively in the United States District Court, Northern District of California, San Jose, California.

SECTION 22. INTERPRETATION, PRIOR AGREEMENTS AND AMENDMENTS.

This AGREEMENT, including all Exhibits attached hereto, represents the entire understanding of the parties as to those matters contained herein. In the event that the terms specified in any of the Exhibits attached hereto conflict with any of the terms specified in the body of this AGREEMENT, the terms specified in the body of this AGREEMENT shall control. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This AGREEMENT may be modified only by a written amendment duly executed by the parties to this AGREEMENT.

WITNESS THE EXECUTION HEREOF on the day and year first hereinabove written.

“CITY”

APPROVED AS TO FORM:

CITY OF MILPITAS, a municipal corporation

MICHAEL J. OGAZ, City Attorney

By _____
Thomas C. Williams, City manager

“VENDOR”

Ricoh Americas Corporation

By _____
Name of Authorized representative

Title of Authorized Representative

EXHIBIT A
SCOPE OF SERVICES

The VENDOR shall provide services in accordance with the following requirements:

SECTION 1 – GENERAL

The performance of all services by VENDOR shall be to the satisfaction of CITY.

All of the services to be performed by the VENDOR under this AGREEMENT from the inception of the AGREEMENT until termination of the AGREEMENT shall meet the professional standards and quality which prevail among Copiers/Multi-Functioning Device VENDOR’S of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 2 – MASTER SCOPE OF SERVICES

1 GENERAL

The following constitutes the scope of services for this contract. This document is intended to be supplemental to the Contractors Proposal Response to RFP #06-07-16, The provisions of this Exhibit A are intended to take precedence over any conflicting provisions of the Proposal Response.

2 DEFINITIONS

- | | | |
|------------|------------------------------|---|
| 2.1 | Contractor: | Ricoh Corporation |
| 2.2 | City | City of Milpitas |
| 2.3 | MFD (Multi Function Device): | Copiers that perform a variety of functions including but not limited to copying, scanning faxing, and network printing |

3 PROJECT OVERVIEW

Contractor shall manage a turnkey copier program for the City including providing, delivery and installation of MFDs. consultation with City staff, order management, training, maintenance all consumables (except paper), copier moves, and copier removal. The initial requirement shall be for approximately Twenty-One (21) MFDs to be delivered and installed at various City locations.

4 EQUIPMENT REQUIREMENTS

4.1.1 Contractor shall provide the following MFD equipment at the estimated quantities as indicated:

4.1.2 MFDs shall utilize digital technology, multifunctional, and capable of being upgraded modular in design and with a common user interface.

4.1.3 Must work with Windows 2000/2003 print servers or higher.

4.1.4 Complete MFD functionality must be capable from the client to the print server and finally to the printer (as opposed to a direct connection from the client to the printer)

4.1.5 All functionality must be capable of being performed by users with standard user account level privileges on a windows desktop PC.

4.1.6 NIC Speed 100/1000 (Ethernet Connectivity)

4.1.7 TCP/IP Protocol in a routed and switched environment (layer 2 and 3)

4.1.8 Ability to scan documents to Windows files shares / FTP locations

4.1.9 Must accept 100% post consumer paper with no degradation of copy quality or loss of performance.

4.1.10 MFDs shall be equipped with a single non-resettable copy meter and must include electronic copy count transmission capability

4.1.11 Contractor shall provide retrofits/replacement machines related to any manufacturer recalls at no additional cost to the City within thirty calendar days from the manufacturer's announcement.

4.1.12 All equipment shall conform to all applicable O.S.H.A., State, and Federal safety requirements. All components, including but not limited to wiring, accessory mountings parts, connectors and adjustments, are to be in accordance with current standards

4.1.13 Contractor shall make available to City the newest available technology and to substitute their originally proposed equipment with more advanced equipment at any time during the agreement term at the same price, terms and conditions, as the original equipment.

4.1.14 Any and all required software and licenses shall be included in the monthly rental price of the equipment

4.2 BADGE READERS - Deleted

4.3 EQUIPMENT CONDITION

4.3.1 New and/or remanufactured equipment may be provided at the discretion of the Contractor. Remanufactured is defined as looking and functioning as new machines. Remanufactured copiers shall be fully refurbished by certified technicians using original manufacturer parts. Wearable parts shall be replaced with new and upgraded parts. Subassemblies shall be completely torn down discarding wearable old parts. Remaining parts shall be inspected and shall meet original specifications or discarded, then remanufactured using new, upgraded original manufacturer parts.

4.3.2 Contractor is responsible for ensuring that the remanufactured equipment performs to the original engineering specification written at the time the copier was originally manufactured and meets all of the performance and functional specifications and requirements of the agreement. Contractor may supply remanufactured equipment at any time during the term of the agreement.

4.4 COPY QUALITY

4.4.1 Equipment shall reproduce copy quality from various types of originals as specified below when operating in an Automated Exposure Mode.

4.4.1.1 Laser printer originals.

4.4.1.2 Multi-generation copies of copies

4.4.1.3 Plain paper and thermal fax copies as originals

4.4.1.4 Standard black graphite No. 2 pencils, red pen and pencil, blue ball point pen,

4.4.1.5 NCR forms (blue/black print on white or colored paper stocks),

4.4.1.6 Solid lines and grids.

4.4.1.7 Solids and reverse graphic effects (white letters on black background)

4.4.1.8 Architectural patterns and blueprints; and

4.4.1.9 Graduated gray-scale tones

5 DELIVERY AND REMOVAL OF EQUIPMENT

5.1 Equipment must be delivered and installed by July 1, 2014 to the specified City locations.

5.2 Contractor shall inspect locations prior to any equipment installation to confirm that the site conforms to the manufacturer's specifications. If a site does not conform, the City shall have the unilateral right to assign a new site or cancel the work order at no penalty or additional cost to the City.

5.3 All equipment shall be delivered with supplies required to operate the machine uninterrupted for a period of thirty days, except paper. Supplies include, but are not limited to toner, developer, and staples and related consumables,

5.4 Contractor shall thoroughly clean up all areas where work has been performed including the removal of packing material, expended supplies, etc. Such materials shall be recycled in

accordance with The United States Environmental Protection Agency (EPA) or the State of California.

5.5 The City will not commit to pay for any MFD beyond the term of the agreement. Machines added or replaced during the term of this agreement will have no commitment longer than the term of the agreement, regardless of the length of time of service. For example, a machine installed six months before the end of the agreement must be removed at the end of the agreement with no additional penalties.

6 TRAINING

Contractor shall provide training at no cost to the City of San Jose for the life of the agreement. Initial same day training shall follow installation. MFD training shall be in accordance with manufacturer's specifications and shall cover the full spectrum of MFD function and features. On completion of the initial training, the Contractor will then schedule to revisit the sites, within 5-7 days of the installation and offer more in-depth training classes. Contractor shall also provide a website with training materials that can be accessed through any web browser. Contractor shall provide ongoing, unlimited training throughout the term of this agreement. User manuals shall be provided with each MFD.

7 CUSTOMER SERVICE AND MAINTENANCE

7.1 Contractor shall provide the following service/response times:

7.1.1 7:00 a.m. to 5:00 p.m., weekdays at most facilities

7.1.2 A four-hour response time is a requirement of this agreement for all service calls from the time the call is placed with the contractor's customer service to the time the technician arrives on site.

7.1.3 Service calls shall be completed within twenty-four hours from service call.

7.1.4 Contractor shall make service technicians available for City facilities that may require after-hours and weekend/emergency service on occasion and shall provide a back-up MFD for the Office of Emergency Services at no additional cost.

7.1.5 At the conclusion of service, the Contractor shall deliver to the department's contact or the City's MFD Contract Administrator a written signed service receipt, per copy to include the following information: date of service arrival and departure time of service technician, model, serial number and location, reason for service, number of test copies run by the technician, actions taken relative to work performed, identification of replacement parts and supplies/materials provided.

7.1.6 Contractor shall credit the City for all copies made by the technician during the course of preventive maintenance and service calls. Credits shall be issued monthly.

7.1.7 Service and supplies must be continued for any type of equipment still being supplied.

by the Contractor even though discontinued from production.

7.1.8 Contractor shall maintain factory trained and certified technicians, as specified by the manufacturer for all maintenance of City MFDs. Training and certification shall include all installation repair, maintenance, trouble shooting and any other skills required to maintain MFDs in good working order and acceptable to the City.

7.1.9 Contractor shall add, replace, and delete MFDs after the initial MFD order at the request of the City. The Contractor shall provide this requirement on an as-needed basis; including replacing and deleting MFDs which require removal, at no additional cost to the City. Additional MFDs shall be new or remanufactured.

7.1.10 Contractor shall use parts and supplies of sufficient quality to meet the performance and the specifications of this agreement.

7.1.11 The Contractor shall replace at no additional cost to the City any MFD experiencing inordinate down time or malfunction resulting in poor copy quality which is unusable or unreadable. Inordinate down time is defined as, but is not limited to MFDs experiencing more than three service calls due for malfunctions for the same copier in a one month period. The City reserves the unilateral right to determine inordinate downtime and unacceptable copy quality.

7.1.12 Any technical omissions of functions or classes within the sections of these specifications shall not relieve the Contractor from furnishing, installing or performing such work where required.

7.1.13 Contractor shall provide all on-site maintenance and routine servicing as required for all equipment. Contractor shall adhere to pre-established manufacturer's criteria for all preventative maintenance (PM). All MFDs shall have built in programs, which will indicate when preventative maintenance is required and notify the end user on the LCD. MFD shall automatically notify the Contractor's Dispatch Center, so a technician is dispatched for the PM and will arrive with the necessary parts to complete the process with minimal down time.

7.1.14 MFDs must function and produce copies (as defined in Section 4.4 of this Agreement) 97% of available work hours or uptime based on an average of 176 work hours per month. If this requirement is not met, the MFD shall be considered "down" from the time a service call is placed until the MFD has met the requirements and specifications of this agreement and Contractor's monthly invoices to the City shall be adjusted to reflect this down time.

7.2 ON-SITE MANAGER / KEY OPERATOR - Deleted

8 CONSUMABLE SUPPLIES

8.1 Contractor shall provide all consumables required for proper equipment operation, with the exception of 100 % recycled paper.

8.2 Contractor to establish and maintain an on-line catalog of equipment and contract pricing for use by City departments.

8.3 Contractor shall establish and maintain a customer service operation for consumable supplies, including inventory and procedures for ordering, shipping, invoicing, returns and reconciliations.

8.4 The customer service operation shall include access from local 408 numbers, or a toll free number and provision of an in-house customer service representative who is assigned and dedicated to the City. The in-house customer service representative shall be knowledgeable and responsive relative to agreement and customer services issues and must be available to the City. Contractor shall provide on-line ordering capability with customization for use by the City. Orders shall be delivered to the department within 48 hours of being placed.

9 MONTHLY REPORTS AND MANAGEMENT

9.1 Contractor shall provide the following monthly report to aid the City in monitoring and evaluating the agreement and Contractor's performance. The report is to include, but not limited to, a complete service summary for all MFDs as follows:

City Department,

Work Unit,

Installation Address,

Average Monthly Copy Volumes (last available month, previous three (3) months, **and** previous six months),

Total Number of Service Calls per MFD for Month,

Nature or type of Service Call.

9.2 Reports are to be provided in Microsoft Excel format.

9.3 Contractor is required to attend a post award contract meeting to be scheduled by the MFD Contract Administrator. The MFD Contract Administrator will communicate the date, time, location, and agenda for this meeting to the Contractor.

9.4 Contractor shall attend periodic quality assurance meetings as scheduled by the City's MFD Contract Administrator or Department Contract Administrator. The purpose of the quality assurance meetings is to address performance issues and problems so that the Contractor delivers as promised. If necessary, the City may provide aggressive monitoring of this Contract and documentation of the performance issues and cure or show-cause notices may be issued by the City if performance issues are not rectified.

9.5 Contractor shall provide quarterly account reviews to present contract performance data, detailed asset management reports and customer satisfaction surveys.

10 IMPLEMENTATION

10.1 The Purchasing Agent will work with Contractor (Ricoh) to schedule removal of their equipment while Contractor (Ricoh) is phasing in the new MFD equipment. The Purchasing Agent will also work with the department contacts and Contractor to assist in determining service requirements locations and prioritize scheduling for each of the City departments.

10.2 Contractor shall assign a Project Manager devoted to the implementation and roll-out of the MFDs. The Contractor's Project Manager must report to the MFD Contract Administrator each Friday, no later than 5:00 pm on the status of the implementation plan confirming completion of phases and identifying problems at any City facility.

10.3 Implementation elements shall include, but not be limited to: determine service requirements of City department; forecast/order/ship "new" products supply control documents; conduct local installation of equipment; audit pricing. and identify open issues.

10.4 Contractor shall adhere to the implementation plan and timeline jointly developed between the City's Contract Administrator and Ricoh that includes procedural, operational steps and milestones to provide the requirements of this agreement including installation and training.

10.5 Contractor to provide consultation to Departments to analyze their MFD needs and make recommendations for maximizing the resources, placement of multi-function devices to replace existing resources, and coordination of multi-function devices with the City's data network and telecommunications infrastructure.

11 END OF AGREEMENT TRANSITION

11.1 In the event that the City changes contractors for any reason per the terms of this Agreement, contractor shall cooperate fully with the City and any subsequent contractors to assure a smooth transition of services described in this Agreement. Such cooperation shall include but not be limited to transfer of computer data, providing MFD locations, monthly copy volume, model, brand and serial number by location, Contractor shall provide staff and equipment to complete performance of all MFD Services required under this Agreement, and provide other reports and data required by this Agreement

11.2 Contractor shall make its inventory available for continued use at City facilities on a month-to-month rental basis for up to six months during transition to the new contractor

12 SPECIFICATIONS FOR MACHINES

Contractor's MFDs must meet the minimum specifications for each class as described below including:

Class A Specification: Ricoh Model, MP2000	
Approx. Copies per month	1-1,000 per month
Copies per minute	16 com (Minimum)
Automatic Document Feeder	Required
Feeder Capacity (201b)	30 originals (Minimum)
Auto Duplex, 1:2, 2:2 & 2:1	Required
Zoom Magnification 50% to 400%	Required
Network Printer	Required
Number of Paper drawers	Range 2-3
Paper Size 8-1/2x 11, 14 and 11X17	Required
Paper Weights	Range 20 lbs to 24
Paper Capacity (20lb)	1500
100% Post Consumable Paper Acceptable	Required
Table top models must include stand	Required
Minimum of 400 dpi	Required
Manufacturer recommended Monthly volume rating	15,000 Minimum
2 in 1 storyboard copying	Required
Energy saving standby mode	Required
Front access Design for toner and paper replacement	Required

Class B Specifications: Ricoh model, MP3500SP	
Approx. Copies per month	1001-10,000 per month
Copies per minute	Range 31-35cpm
Automatic Document Feeder	Required
Feeder Capacity (201b)	40 originals Minimum
Auto Duplex, 1:2, 2:2 & 2:1	Required
Zoom Magnification 50% to 400%	Required
Scan to Desktop	Required
Network Printer	Required
Walk-up Fax	Required
LAN Fax	Required
Number of Paper drawers	3 Minimum
Paper Size 8-112x 11, 14 and 11X17	Required
Paper Weights	Range of 20-24
Paper Capacity (20lb)	1500 Minimum
100 Post Consumable Paper Acceptable	Required
Bin Sorter/Stapler or Stacker collating and Stapler	Required
DPI	400-600 Range
Manufacturer recommended Monthly volume rating	30,000 Minimum
2 in 1 Storyboard copying	Required
Energy saving standby mode	Required
Front access Design for toner and paper replacement	Required

Print/scan productivity, scan to email, scan to FTP, Scan to Desktop, Scan to Windows Network Share	Required
Printing/Scanning up to 65 scan per minute at 300 dpi resolutions, or 45 scans per minute at 600 dpi with scan to email, scan to FTP and scan to PC and to a Windows Network Share	Required
Build in 100/1000 mb/s network interface card	Required
Punch Code Option	Required

Class C Specifications: Ricoh Model, MP4500SPF	
Approx. Copies per month	10,001-20,000 per month
Copies per minute	40cpm Minimum
Automatic Document Feeder	Required
Feeder Capacity	50 originals
Auto Duplex, 1:2,2:2 & 2:1	Required
Zoom Magnification 50% to 400%	Required
Scan to Desktop	Required
Network Printer	Required
Walk-up Fax	Required
LAN Fax	Required
Number of Paper drawers	3 Minimum
Paper Size 8-1/2x 11, 14 and 11X17	Required
Paper Weights 20 lbs to	20-24 lb Minimum
Paper Capacity (20lb)	2000
100% Post Consumable Paper Acceptable	Required
Bin Sorter/Stapler or Stacker collating and Stapler	Required 50 sheets per set @ 20 lb Minimum
Dpi	600 dpi
Manufacturer recommended Monthly volume rating	50,000 required
2 in 1 storyboard copying	Required
Energy saving standby mode	Required
Front access Design for toner and paper replacement	Required
Print/scan productivity, scan to email, scan to FTP, Scan to	Required
Printing/Scanning up to 65 scan per minute at 300 dpi resolutions, or 45 scans per minute at 600 dpi with scan to email, scan to FTP and scan to PC and to a Windows Network Share	Required
Optional internet faxing for transmissions to email addresses	Required
Build in 100/1000 mb/s network interface card	Required
Punch Code option	Required

Class D Specifications: Ricoh Model, MP4500 SPF	
Approx. Copies per month	20,001-40,000 per month
Copies per minute	45cpm Minimum
Automatic Document Feeder	Required
Feeder Capacity (2010)	50 originals
Auto Duplex, 1:2,2:2 & 2:1	Required
Zoom Magnification 50% to 400%	Required
Scan to Desktop	Required
Network Printer	Required
Walk-up Fax	Required
LAN Fax	Required
Number of Paper drawers	3 Minimum
Paper Size 8-1/2x 11, 14 and 11X17	Required
Paper Weights 20 lbs to	3000
Paper Capacity (2010)	20-24 lb Range
100 Post Consumable Paper Acceptable	Required
Bin Sorter/Stapler or Stacker collating and Stapler	Required 50 sheets per set @20lb
dpi	600 dpi min.
Manufacturer recommended Monthly volume rating	100,000
2 in 1 storyboard copying	Required
Energy saving standby mode	Required
Front access Design for toner and paper replacement	Required
Print/scan productivity, scan to email, scan to FTP, Scan to Desktop, Scan to Windows Network Share	Required
Printing/Scanning up to 65 scan per minute at 300 dpi resolutions, or 45 scans per minute at 600 dpi with scan to email, scan to FTP and scan to PC and to a Windows Network Share	Required
Optional internet faxing for transmissions to email addresses	Required
Build in 100/1000 mb/s network interface card	Required
Punch Code Option	Required

Class E Specifications: Ricoh Model, MP 3500 SP	
Approx. Copies per month	40,000 + per month
Copies per minute	55 minimum
Automatic Document Feeder	Required

Feeder Capacity (20lb)	75 originals minimum
Auto Duplex, 1:2,2:2 & 2:1	Required
Zoom Magnification 50% to 400%	Required
Scan to Desktop	Required
Network Printer	Required
Walk-up Fax	Required
LAN Fax	Required
Number of Paper drawers	3 minimum
Paper Size 8-1/2x 11, 14 and 11X17	Required
Paper Weights 20 lbs to	20-24 range
Paper Capacity (20lb)	3000
100 Post Consumable Paper Acceptable	Required
Bin Sorter/Stapler or Stacker collating and Stapler	Required 50 sheets per set @20 lb
dpi	600 dpi Minimum
Manufacturer recommended Monthly volume rating	100,000
2 in 1 storyboard copying	Required
Energy saving standby mode	Required
Front access Design for toner and paper replacement	Required
Print/scan productivity, scan to email, scan to FTP, Scan to Desktop, Scan to Windows Network Share	Required
Printing/Scanning up to 65 scan per minute at 300 dpi resolutions, or 45 scans per minute at 600 dpi with scan to email, scan to FTP and scan to PC and to a Windows Network Share	Required
Optional internet faxing for transmissions to email addresses	Required
Build in 100/1000 mb/s network interface card	Required
Punch code Option	Required

Class F Specifications: Ricoh, Model MPC3500SPF	
Approx. Copies per month	10,000-20,000 per month
Copies per minute color	Range 20-30cpm
Copies per minute black and white	25-35cpm range
Automatic Document Feeder	Required
Capacity (20 lb) Feeder	75 originals minimum
Auto Duplex, 1:2,2:2 & 2:1	Required
Zoom Magnification 50% to 400%	Required
Scan to Desktop	Required
Network Printer	Required
Walk-up Fax	Required
LAN Fax	Required
Number of Paper drawers	3 minimum

Paper Size 8-1/2x 11, 14 and 11X17	Required
Paper Weights 30 lbs to	20-24 range
Paper Capacity (30lb)	3000
100 Post Consumable Paper Acceptable	Required
Bin Sorter/Stapler or Stacker collating and Stapler	Required 50 sheets per set @20 lb
dpi	600 dpi Minimum
Manufacturer recommended Monthly volume rating	40,000- 50,000
2 in 1 storyboard copying	Required
Energy saving standby mode	Required
Front access Design for toner and paper replacement	Required
Print/scan productivity, scan to email, scan to FTP, Scan to Desktop, Scan to Windows Network Share	Required
Printing/Scanning up to 65 scan per minute at 300 dpi resolutions, or 45 scans per minute at 600 dpi with scan to email, scan to FTP and scan to PC and to a Windows Network Share	Required
Optional Internet faxing for transmissions to email addresses	Required
Build in 100/1000 mb/s network interface card	Required
Punch code Option	Required

EXHIBIT B
SCHEDULE OF PERFORMANCE

Work shall commence immediately upon execution of this AGREEMENT and shall be completed as required by CITY.

EXHIBIT C
COMPENSATION

SECTION 1. COMPENSATION FOR MASTER AGREEMENT

- 1.1 General:** CITY shall pay VENDOR for services rendered pursuant to this AGREEMENT at the time and in the manner set forth herein. The payments specified below shall be the only payments from CITY to VENDOR for services rendered pursuant to this AGREEMENT.
- 1.2 Maximum Amount:** The maximum amount of compensation the CITY will pay to the VENDOR under this Master Agreement shall not exceed Sixty Thousand Dollars (\$60,000.00) in any fiscal year from July 1 to June 30th during the term of the Agreement.
- 1.3 Best Pricing:** VENDOR acknowledges and agrees the pricing set forth in this Exhibit shall not be increased in any manner during the entire five (5) year term of this Agreement. Additionally, any favorable or lower pricing offered to the City of San Jose then what is set forth below shall be offered to the CITY during the five (5) year term of this Agreement.

SECTION 2. METHOD OF PAYMENT

1 CURRENT RATES – Deleted

2. NEW RATES

City agrees to compensate Contractor at the rates set forth in Tables 1 and 2:

Table 1: Black & White MFDs

Class	Model	Monthly Rental Costs	CPC (B&W)
A	MP201SPF	\$36.00	\$0.0081
	MP2000SPF	\$36.00	\$0.0081
	MP2550 Select	\$84.00	\$0.0057
	MP2851SP	\$84.00	\$0.0057
B	MP3351SP	\$90.00	\$0.0057
C	MP4000SP	\$108.00	\$0.0056
	MP4001SP	\$108.00	\$0.0056
D	MP5000SP	\$114.00	\$0.0056
	MP5001SP	\$114.00	\$0.0056
	MP5002SP	\$114.00	\$0.0056
E	MP6001SP	\$126.00	\$0.0044
	MP7000RM	\$138.00	\$0.0044

Table 2: Color MFDs

Class	Model	Monthly Rental Cost	CPC (B&W)	CPC (Color)
F - Low	MPC300SR	\$78.00	\$0.0057	\$0.065
	MPC2051	\$96.00	\$0.0057	\$0.065
	MPC2501	\$96.00	\$0.0057	\$0.065
	MPC2551	\$96.00	\$0.0057	\$0.065
F - Mid	MPC3001	\$108.00	\$0.0057	\$0.065
	MPC3002	\$108.00	\$0.0057	\$0.065
	MPC3500SPF	\$126.00	\$0.0057	\$0.065
	MPC3501	\$126.00	\$0.0057	\$0.065
	MPC3502	\$126.00	\$0.0057	\$0.065
	MPC4501	\$132.00	\$0.0057	\$0.065
	MPC4502	\$132.00	\$0.0057	\$0.065
F - High	MPC5000-RM	\$154.00	\$0.0057	\$0.065
	MPC5501	\$154.00	\$0.0057	\$0.065
	MPC5502	\$154.00	\$0.0057	\$0.065

3 NEXT GENERATION

3.1 The prices specified in these tables shall also apply to next-generation/replacement models that perform the same or similar functionality. All prices are firm-fixed for the duration of this Agreement, including any and all option periods that are exercised by the City.

3.2 In the event that the City requires equipment that is not listed above, then a 67% discount off of the manufacturer's rental list price shall apply. Note that this discount does not apply to upgrades or next generation of the models listed above.

4 FLEXIBILITY Deleted.

5 PURCHASE ORDERS AND INVOICES

5.1 An open purchase order will be issued for all City machines. The City will accept and pay from paper invoices. Ricoh shall submit monthly invoices, one for machine rental and one for quarterly machine maintenance to the “Ship To” address/Accounts Payable as indicated on the purchase order no later than the fifteenth calendar day after the receipt of meter readings for the month service is provided.

5.2 The invoice for rent will be reduced by one-thirtieth (1/30) of the monthly base charge for each day that the MFD is inoperable as defined in Section 7.1.14 of the Exhibit A Scope of Services, and there is no loaner available.

5.3 Invoices shall be submitted as paper invoices. At a minimum, each invoice shall contain the following information:

5.3.1 City Purchase Order Number,

5.3.2 Date of invoice,

5.3.3 Date of Billing Period,

5.3.4 Copier/MFD Model Number,

5.3.5 Copier/MFD Serial Number,

5.3.6 Location,

5.3.7 Meter Readings (previous and current month),

5.3.8 Any and All Copy Credits,

5.3.9 Monthly Rental Price,

5.3.10 Cost per Copy price, X total number of copies = Total Copy Cost

5.3.11 Total Cost per Copier/MFD, and

5.3.12 Total Cost per invoice

6 PAYMENT

6.1 Payment shall be made monthly or quarterly as applicable, in arrears, upon receipt of a properly completed and submitted invoice. Duplicate invoice number shall not be submitted. Invoices shall include detailed information regarding product and/or service that is being billed. Invoices rejected by the City shall be re-issued with new/revised issue dates so as not to imply delinquent payment status. The Purchase Order number shall be noted on all invoices. Original copies of all invoices shall be delivered to the “Ship To” address/Accounts Payable on the purchase order to ensure payment is processed in a timely manner.

EXHIBIT D
INSURANCE

VENDOR at VENDOR'S sole cost and expense, shall procure and maintain for the duration of this AGREEMENT insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services hereunder by VENDOR, its agents, representatives, employees or subcontractors.

Definition:

For purposes of this contract, the following definition applies: City of Milpitas includes the duly elected or appointed officers, agents, employees and volunteers of the City of Milpitas, individually or collectively.

Insurance Required:

VENDOR must procure insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work under the contract and the results of that work by the VENDOR, his agents, representatives, employees or subconsultants and provide documentation of same prior to commencement of work. The insurance must be maintained for the duration of the contract.

Minimum Scope of Insurance: (Check Mark Indicates Required)

Coverage must be at least as broad as:

- (X) Insurance Services Office Commercial General Liability coverage (occurrence Form CG0001).
- (X) Insurance Services Office Form Number CA 0001 covering Automobile Liability.
- (X) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
- (X) Professional Liability or Errors & Omissions Liability insurance appropriate to the VENDOR's profession.

Minimum Limits of Insurance:

VENDOR must maintain limits no less than:

1. **General Liability:** **\$1,000,000** per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit.
(Including operations, products and completed operations, as applicable.)
2. **Automobile Liability:** **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation** Statutory **\$1,000,000** each accident

Employer's Liability: **\$1,000,000** disease-policy limit
 \$1,000,000 disease-each employee

4. **Professional Liability or** **\$ 500,000** each occurrence
 Errors & Omissions **\$1,000,000** policy aggregate
 Liability:

Deductibles and Self-Insured Retentions:

Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, either the insurer will reduce or eliminate such deductibles or self-insured retentions as they pertain to the CITY, its officers, officials, employees and volunteers; or the VENDOR will provide a financial guarantee satisfactory to the CITY guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

Other Insurance Provisions:

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. **The City of Milpitas, its officers, officials, employees, and volunteers** are to be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the VENDOR; and with respect to liability arising out of work or operations performed by or on behalf of the VENDOR including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the VENDOR's insurance (at least as broad as ISO Form CG 20 10 11 85), or as a separate owner's policy.
2. For any claims related to this project, the **VENDOR's insurance coverage shall be primary** insurance as respects the CITY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, or volunteers shall be excess of the **VENDOR's insurance and shall not contribute with it.**
3. The Insurance Company agrees to **waive all rights of subrogation** against the City, its elected or appointed officers, officials, agents and employees for losses paid under the terms of any policy which arise from work performed by the Named Insured for the CITY. This provision also applies to the VENDOR's Workers' Compensation policy.
4. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after **thirty (30) days' prior written notice (10 days for non-payment)** by certified mail, return receipt requested, has been given to the CITY. If VENDOR's insurer refuses to provide this endorsement, VENDOR shall be responsible for providing written notice to the CITY that coverage will be canceled thirty (30) days after the date of the notice or ten (10) days for non-payment.

Acceptability of Insurers:

Insurance is to be placed with licensed insurers admitted to transact business in the State of California with a current A.M. Best's rating of no less than A-VII. If insurance is placed with a surplus lines insurer, insurer must be listed on the State of California List of Eligible Surplus Lines Insurers (LESLI) with a current A.M. Best's rating of no less than A-X. Exception may be made for the State Compensation Fund when not specifically rated.

Verification of Coverage:

VENDOR shall furnish the CITY with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on insurance industry forms, provided those endorsements or policies conform to the contract requirements. All certificates and endorsements are to be received and approved by the CITY before work commences. The CITY reserves the right to require, at any time, complete, certified copies of all required insurance policies, including endorsements evidencing the coverage required by these specifications.

SubVENDORS:

VENDOR must include all sub-VENDORS as insureds under its policies or furnish separate certificates and endorsements for each sub-VENDOR. All coverage for sub-VENDORS are subject to all of the requirements included in these specifications.

Absence of Insurance:

If the VENDOR allows the insurance to lapse, be cancelled, or be reduced below the limits specified in this article, the VENDOR shall cause all work in the Project to cease and any delays or expenses caused due to stopping of work and change of insurance shall be considered VENDOR delay and shall not be considered to increase cost to the CITY or increase time in which the Project shall be completed.

Remedies:

In addition to any other remedies CITY may have if VENDOR fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, CITY may, at its sole option exercise any of the following remedies, which are alternatives to other remedies CITY may have and are not the exclusive remedy for VENDOR's breach:

- (a) Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the AGREEMENT;
- (b) Order VENDOR to stop work under this Agreement or withhold any payment that becomes due to VENDOR hereunder, or both stop work and withhold any payment, until VENDOR demonstrates compliance with the requirements hereof; and/or
- (c) Declare VENDOR in material breach of the AGREEMENT and terminate the AGREEMENT.

Waiver:

The Risk Manager of the CITY has the authority to waive or vary any provision of these insurance requirements. Any such waiver or variation shall not be effective unless made in writing.

VENDOR agrees that if it does not keep the aforesaid insurance in full force and effect. CITY may immediately terminate this AGREEMENT.