Executive Summary

Board of Governors Meeting, December 6, 2023

Multi-Function Copier Leases (TLH/JAX)
VENDOR: KONICA-MINOLTA and KYOCERA

Topic
Citizens staff is requesting Board approval for a three (3) year lease agreement for twenty-three (23) multi-function copiers, of which nineteen (19) will be in Jacksonville and four (4) in Tallahassee for an approximate spend of up to $466,000.

History
The current leases for existing multi-functions leases were procured through an approved Alternative Contract Source ("ACS") from Florida Department of Management Services ("DMS"). Some of these leases have been extended month-to-month through 6/29/24 to align with the 5 other leases that expire 6/30/24. These lease terms will allow for future evaluation of equipment needs in the months ahead to potentially reduce the number of machines to align with the future real estate strategy. With this requested Board of Governors' approval, all leases will be aligned and coterminous for easier management. These requested leases bring the number of machines to 23.

The equipment leases requested for approval will be made pursuant to the Alternate Contract Source #44000000-NASPO-19-ACS as established by DMS. A reduction in current copier expenses of approximately $33K annually has been realized due to the elimination of twelve copiers and a reduced click count charge from staff working mostly hybrid. However, future expenses are projected to increase by $100k as usage (click count charges) increases with more staff being on-site and the new leases have significantly increased. It is anticipated the new leases, where color machines are available, will enable a reduction in some shared printers deployed on the floors; thereby reducing toner and printer expenses over time. All color machines will continue to be defaulted to print B&W (to help minimize costs) with users having to individually select to print color, when determined as necessary.

Additionally, these new multi-function machine leases will have the newest technology and features and be fully supported by the vendor during the term of the lease. These copiers are needed to support the on-site operations at each location throughout the 8 floors in Jacksonville and 3 floors in Tallahassee. The estimated cost of the replacement leases was determined by the quoted monthly lease amount, plus the average click count charges at their highest use to ensure adequate spending authority is requested. The installation of these replacement copiers will be staggered to allow for ease in delivery and set-up.

This Board approval will allow for more flexibility in managing the equipment needs and assist in minimizing early contract termination costs as operations shift. The ACS contract establishes the pricing terms for these leases.

Recommendation
Citizens' Staff proposes that the Board of Governors:

a) Approve use of contract #44000000-NASPO-19-ACS for contracting with vendor(s): Konica-Minolta and Kyocera, for up to a three-year lease term for the multi-function copiers in Jacksonville and Tallahassee for the approximate amount of $466,000, as described in this Action Item; and

b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.

CITIZENS
PROPERTY INSURANCE CORPORATION

Multi-Function Copier Leases (TLH & JAX)

☒ **ACTION ITEM**	☐ **CONSENT ITEM**
☒ **New Contract**	☐ **Contract Amendment**
☐ **Contract Amendment**	☐ **Existing Contract Extension**
☐ **Other**__________________________	☐ **Existing Contract Additional Spend**
	☐ **Previous Board Approval**
	☐ **Other**__________________________

Action Items: Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Consent Index.

☐ **Move forward as Consent**: This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Consent Index.

Consent Items: Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

Purpose/Scope	**Purpose:** This Action Item seeks Board approval for a three (3) year lease agreement for twenty-three (23) multi-function copiers, of which nineteen (19) will be in Jacksonville and four (4) in Tallahassee for an approximate spend of up to $466,000. **Scope:** The new lease agreement will be made pursuant to the Alternate Contract Source #44000000-NASPO-19-ACS approved through the Florida Department of Management Services. The current leases expire starting June 30, 2024. These copiers are needed to support the on-site operations at each location throughout the 8 floors in Jacksonville and 3 floors in Tallahassee. The installation of these replacement copiers will be staggered to allow for ease in delivery and set-up.
Contract ID	Multi-Function Copiers #44000000-NASPO-19-ACS Vendors: Konica-Minolta and Kyocera
Budgeted Item	☒Yes ☐No
Procurement Method	The leased equipment will be procured utilizing the Alternate Contract Source #44000000-NASPO-19-ACS which meets the requirements of Citizens' Purchasing Policy 501, Section E (3).

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Contract Amount	Approximately $466,000 for a three (3) year lease term on all twenty-three (23) copiers which includes annual lease costs and projected click count charges.
Contract Terms	The proposed contract will be for a three (3) year term. Beginning contract term dates are projected to start as early as 6/1/2024.
Board Recommendation **(DOES NOT go through Committee)**	Citizens' Staff proposes that the Board of Governors: a) Approve use of contract #44000000-NASPO-19-ACS for contracting with vendor(s): Konica-Minolta and Kyocera, for up to a three-year lease term for the Multi-Function Copier Leases in Jacksonville and Tallahassee for the approximate amount of $466,000, as described in this Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
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