



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #: A 19-134, Version: 1**

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Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-12645) with Smile Business Products, Inc. (formerly Tri-County Business Systems Inc.) for copy machine rental and maintenance services, extending the agreement an additional one (1) year period (July 1, 2019 through June 30, 2020) for a revised full agreement term of July 1, 2013 through June 30, 2020, and adding \$305,000 for a revised total agreement amount not to exceed \$1,745,000.

### **RECOMMENDATION:**

#### **It is recommended the Board of Supervisors:**

Authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute amendment No. 2 to the agreement (A-12645) with Smile Business Products, Inc. (formerly Tri-County Business Systems Inc.) for copy machine rental and maintenance services, extending the agreement an additional one (1) year period (July 1, 2019 through June 30, 2020) for a revised full agreement term of July 1, 2013 through June 30, 2020, and adding \$305,000 for a revised total agreement amount not to exceed \$1,745,000.

### **SUMMARY/DISCUSSION:**

On February 4, 2014 the Board of Supervisors approved an agreement between NMC and Tri-County Business Systems, a small local business in Monterey County, for copy machine/network printer rentals at Natividad Medical Center. Tri-County was bought out by Smile Business Products, Inc. who assumed all contractual obligations set forth in the Tri-County agreement which includes the county's standard service agreement terms.

NMC originally began leasing copier/printer machines from Tri-County through the County's Master Agreement for copier rentals per Request for Proposals (RFP) #10019. Upon expiration of the County Master Agreement and in order to maintain services and pricing, NMC has continued copier rental services under the same 2014 contract.

NMC has approximately 60 machines throughout the hospital. The majority of NMC's staff do not have local printers connected to their computers and instead utilize networked copier/printers as it has been proven to be more cost effective to share a network printer across a large organization. Maintenance is included in the lease price and toner is also included.

NMC had originally requested \$690,000 for the original three year Agreement. This dollar amount was based on an estimated \$230,000 per year in costs. Since that time there has been a slow but steady increase in copier/printer machine costs due to the cycling in of newer machines that cost more to lease and operate than the older machines did three years ago. NMC pays a set and agreed upon amount for each machine and also pays additional fees each month based on the number of pages copied or printed. Based on current expenditures NMC has projected \$305,000 per year over the next year for this Agreement.

### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this amendment No. 2 as to legal form, and the Auditor-Controller has reviewed and approved as to payment provisions. The amendment No. 2 has also been reviewed and approved by NMC's Finance Committee on April 25, 2019 and by its Board of Trustees on May 3, 2019.

### **FINANCING:**

The cost for this amendment No. 2 is \$305,000, all of which has been included in the Fiscal Year 2019-20 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

Printing and copying documents are a critical part of doing day to day business. This agreement ensures that NMC has this capability in an efficient manner through shared resources such as multi-use print devices.

- ☐ Economic Development
- ☐ Administration
- ☐ Health and Human Services
- ☒ Infrastructure
- ☐ Public Safety

Prepared by: Kristen Aldrich, Natividad Contracts Department Manager, 783-2627

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Smile Business Products Inc. Amendment 2

Smile Business Products Inc. Amendment 1

Assignment & Assumption Agreement between Tri-County Business Systems Inc. and Smile Business Products Inc.

Tri-County Business Systems Inc. Agreement

Copier-Printer Inventory at NMC as of 02-01-19

Attachments on file with the Clerk of the Board