

AGENDA ITEM NO. 1 J

COUNCIL MEETING 1/27/2011

APPROVED BY

DEPARTMENT DIRECTOR 

CITY MANAGER

January 27, 2011

FROM: JOE GRAY, Finance Director/Controller 
Finance Department

BY: JASON MACDONALD, Purchasing Manager 
Finance Department/Graphics & Reproduction Services Division

SUBJECT: ADOPT THE 66TH AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. 2010-138 TO APPROPRIATE \$101,800 TO PROVIDE THE FUNDS NEEDED FOR ONGOING USE AND PAYMENT OF THE CITY-WIDE COST PER COPY PROGRAM

CORNERSTONE

Customer Service

RECOMMENDATION

Staff recommends that the City Council Adopt the 66th Amendment to the Annual Appropriation (AAR) Resolution No. 2010-138 to appropriate \$101,800 in funds needed for ongoing use and payment of the City's in-house cost per copy program

EXECUTIVE SUMMARY

This request authorizes staff to appropriate \$101,800 into the Graphics & Reproduction Services Division (GRS, formerly Central Printing) Fiscal Year 2011 Budget to pay for ongoing charges in the City's in-house cost per copy program. This program under contract with Ray Morgan & Company (RMC) allows user departments to pay for copies, prints and scans on a per unit cost basis with no lease or maintenance charges. The budget for these charges has already been loaded by the Budget Office in each department's budget at an amount totaling \$1,369,100 while GRS revenue reimbursement account was budgeted at only \$1,267,300. By appropriating these additional dollars into the GRS division, it will allow the critical service to continue uninterrupted and allow for timely payment to the contracted vendor.

BACKGROUND

The GRS Division had historically managed copier contracts for City departments under a system in which each department or division acquired their own machine with various associated capital costs and maintenance contracts. This system was difficult to manage effectively by all users. In the fall of 2006, the Division issued an RFP for a consolidated program that would include copying, printing and scanning service on an as needed basis with no equipment acquisition costs and no ongoing maintenance costs, but instead was priced on a cost per copy basis (including prints and scans).

Ray Morgan & Company was the successful bidder and was awarded the contract by Council in the summer of 2007. Installation and program implementation began in fall of 2007 which has resulted in 114 installed

REPORT TO THE CITY COUNCIL

66th Amendment to the Annual Appropriation Resolution No. 2010-138

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machines. Each City department/division is billed through the GRS division on a consolidated invoice from RMC for their usage on a monthly basis.

As the GRS division does not have control of the end usage of each machine in the program, the billing relies on the interdepartmental charges model and each user division or department budgets based on their estimated usage over the fiscal year. Without a consistent history of prior usage, the GRS division has been unable until now to accurately forecast usage, due to increased number of machines as well as the fluctuations in demand and usage.

This AAR recognizes revenues that are backed by ID appropriations as adopted in each customer's Fiscal Year 2011 Budget.

FISCAL IMPACT

There is no additional fiscal impact, as this amount has already been budgeted by each department in their Interdepartmental Charges for copier services in Fiscal Year 2011.

Attachments: 66th Amendment to Annual Appropriation Resolution No. 2010-138

JG/jbm/1/12/2011

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO ADOPTING THE 66th AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. 2010-138 APPROPRIATING \$101,800 TO PROVIDE THE FUNDS NEEDED FOR ONGOING USE AND PAYMENT OF CITYWIDE COST PER COPY PROGRAM

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT PART III of the Annual Appropriation Resolution No. 2010-138 be and is hereby amended as follows:

	<u>Increase/(Decrease)</u>
TO: GENERAL SERVICE DEPARTMENT	
Central Services Operating	\$ 101,800

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

Central Services Operating

Revenues:

Account: 38008 Copier Machine	\$ <u>101,800</u>
Fund: 52001	
Org Unit: 530301	

Total Revenues	\$ <u>101,800</u>
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Appropriations:

Account: 56109 Office Equipment Rentals	\$ <u>101,800</u>
Fund: 52001	
Org Unit: 530301	
CS: ER001	

Total Appropriations	\$ <u>101,800</u>
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THAT the purpose is to appropriate \$101,800 to provide the funds needed for ongoing use and payment of citywide cost per copy program.

CLERK'S CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF FRESNO } ss.
CITY OF FRESNO }

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the _____ Day of _____, 2011

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Approval: _____, 2011
Mayor Approval/No Return: _____, 2011
Mayor Veto: _____, 2011
Council Override Veto: _____, 2011

REBECCA E. KLISCH
City Clerk