

SUBJECT: AUTHORIZATION TO ENTER INTO AGREEMENT FOR THE LEASE AND MAINTENANCE OF COPIERS

SOURCE: Finance Department

COMMENT: The City currently leases 17 copiers at various City facilities. The current lease and maintenance agreement on 4 of the copiers expired on January 7, 2014, and the lease on 12 copiers expired on February 20, 2014. The lease on the last copier does not expire until October 27, 2014.

Staff requested proposals for copier lease and maintenance on October 2013. Five vendors had submitted proposals. The chart below summarizes the proposed cumulative price comparisons for the 17 copiers based on a \$1 buyout at the end of a 60-month lease term. Staff had requested that vendors utilize current agreements with "piggyback" clauses for their price quotations.

Vendor	Copier	Monthly Lease	Cost for B/W Copies (135,000)	Cost for Color Copies (7,000)	Total Monthly Cost	Other Fees
California Business Machines	Kyocera	\$1,486	\$751	\$322	\$2,559	None
C.A. Reding	Lanier	\$1,325	\$864	\$413	\$2,602	one-time \$75 lease document fee / freight for toner shipment
Zoom Imaging Solutions	Toshiba	\$2,018	\$675	\$343	\$3,036	freight for toner shipments
Select Business Systems	Sharp	\$1,789	\$930	\$483	\$3,202	
Ray Morgan Company	Ricoh	\$2,602	\$939	\$364	\$3,905	one-time \$79.95 lease document fee & \$35 UCC filing / \$9.99 for toner shipping
Ray Morgan Company	Canon	\$2,798	\$975	\$490	\$4,263	one-time \$79.95 lease document fee & \$35 UCC filing / \$9.99 for toner shipping

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All of the proposals submitted met the City's specifications. After a thorough evaluation, staff recommends accepting the proposal from California Business Machines. The costs of the copier lease and maintenance are programmed into the departmental operating budget.

RECOMMENDATION: That the City Council:

- (1) Authorize the Finance Director to execute an agreement with California Business Machines for the lease and maintenance of copiers for a 5-year term; and
- (2) Authorize the Finance Director to add or delete copiers to this agreement as they are identified, without modifying the terms and conditions of the agreement.