



City of Grand Island

Tuesday, February 27, 2007

Council Session

Item G12

#2007-50 - Approving Bid Award for Copier/Printer/Scanner

Staff Contact: David Springer

Council Agenda Memo

From: Dave Springer, Finance Director

Meeting: February 27, 2007

Subject: Approving Copier Lease with Modern Methods

Item #'s: G-12

Presenter(s): Dave Springer, Finance Director

Background

The five copiers at City Hall are at the end of their three year lease. After going through a bid process and utilizing in-house demo units from two suppliers, we believe the low bid from Modern Methods to supply Lanier copiers for another three years is the appropriate choice.

Discussion

The proposed contract is off a state bid contract and would have monthly lease payment of \$1,557 total for all five units. The allowed copies per month would be 72,000, well above our historical usage. These copiers have scanning capabilities and the mail room unit is a high volume machine for which we have an option to upgrade to color. In total, this is only a \$69.12 monthly increase from three years ago and with enhanced capabilities and speed.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the new copier lease.
2. Disapprove or deny the lease.
3. Modify the Resolution to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that the Council approve the copier lease with Modern Methods at \$1,557 per month and upgrade options.

Sample Motion

Approve the copier lease with Modern Methods and upgrade options.

Purchasing Division of Legal Department
INTEROFFICE MEMORANDUM



Dale M. Shotkoski, Assistant City Attorney

*Working Together for a
Better Tomorrow, Today*

BID OPENING

BID OPENING DATE: January 3, 2007 at 11:00 a.m.

FOR: Copier/Printer/Scanner

DEPARTMENT: Information Technology

ENGINEER'S ESTIMATE: \$20,000 per year

FUND/ACCOUNT: 10055001-85706

PUBLICATION DATE: December 17, 2006

NO. POTENTIAL BIDDERS: 7

SUMMARY

Bidder:	<u>Eakes Office Plus</u>	<u>Modern Methods</u>
	Grand Island, NE	Grand Island, NE
Black & White:	\$1,709.59 per mo (Sharp)	\$1,577.00 per mo. (Lanier)
Color:	\$1,877.38 per mo. (Sharp)	\$1,825.00 per mo. (Cannon)
Color:	\$1,628.96 per mo. (Sharp)	
Bidder:	<u>Imagistics</u>	<u>OfficeNet</u>
	Omaha, NE	Grand Island, NE
Black & White:	\$1,435.35 per mo. (Oce')	\$1,720.19 per mo. (Savin)
Color:	\$1,621.99 per mo. (Oce')	\$2,174.18 per mo. (Savin)
Black w/Color Scanning:		\$1,956.90 per mo. (Savin)
Bidder:	<u>Midland Computer</u>	
	Lincoln, NE	
Black & White:	\$1,131.62 per mo. (HP)	

cc: David Springer, Finance Director
Gary Greer, City Administrator
Sherry Peters, Legal Secretary

Carl Hurd, IT Manager
Dale Shotkoski, Purchasing Agent



1211 East South Street
Hastings, NE 68901

APPLICATION NO.

CONTRACT NO.

DocuManagement Agreement

This document is written in "Plain English". The words you and your refer to the customer. The words Owner, we, us and our refer to Modern Methods.

1. CUSTOMER.

LEGAL NAME OF BUSINESS City of Grand Island		ADDRESS	
CITY	STATE	ZIP	PHONE
TYPE OF BUSINESS <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship		NUMBER OF YEARS IN BUSINESS	FEDERAL TAX I.D. #

2. SPECIFY EQUIPMENT/LEASE TERM.

Make/Model/Accessories	Serial #	Term	Monthly Payment	Copies Included	Additional Copies to be billed @	Starting Meter
1. See Attached Schedule A		36	\$1557	72,000	.0075 black	Schedule A
2.						
3.						
4.						
5.						

Security Deposit \$ _____ (plus applicable taxes) Check One: ☐ Consolidated with Detail ☐ Consolidated ☒ Itemized Schedule A

You will have the following options at the end of the original term, provided the Lease has not terminated early and no event of default under the Lease has occurred and is continuing:

1. Purchase the Equipment for the \$1 buyout. (If no purchase option is entered, the Fair Market Value will be your end of lease option)
2. Renew the Lease per paragraph 1.
3. Return Equipment as provided in Paragraph 6.

3. PROVIDE US WITH SOME BASIC INFORMATION.

NAME OF PRINCIPAL	SOCIAL SECURITY #		PERCENTAGE OWNERSHIP OF BUSINESS %	
HOME ADDRESS	CITY	STATE	ZIP	PHONE
PRESENT BANK	ACCOUNT #	BANK CONTACT		PHONE
TRADE REFERENCE 1	CITY/STATE			PHONE
TRADE REFERENCE 2	CITY/STATE			PHONE

4. SIGN THE LEASE ACCEPTANCE.

THIS IS A NONCANCELABLE/IRREVOCABLE LEASE. THIS LEASE CANNOT BE CANCELED OR TERMINATED.

By signing below, you acknowledge and accept all terms and conditions on the back of this agreement and hereby authorize your banks, trade references, credit bureaus, and financial institutions to release personal and business credit information via fax or over the phone to Modern Methods for purposes of reviewing this application for business credit.

X			
COMPANY NAME	SIGNATURE	TITLE	DATE

5. SIGN THE DELIVERY GUARANTY.

You understand and agree that in the event You are not satisfied with the delivery and installation of the equipment that You shall only look to persons other than Modern Methods such as the manufacturer, installer, or carrier, and shall not assert against Modern Methods any claim or defense that You may have with reference to the equipment or its installation. Further, You authorize Modern Methods to pay supplier for the equipment and understand that payments shall begin on the same date that You execute this agreement and shall be continuous thereafter per the terms of the Agreement.

X			
COMPANY NAME	SIGNATURE	TITLE	DATE

6. SIGN THE GUARANTY. (Please do not include title.)

As additional inducement for us to enter into the Agreement, the undersigned ("you") unconditionally, jointly and severally, personally guarantees that the customer will make all payments and meet all obligations required under this Agreement and any supplements fully and promptly. You agree that we may make other arrangements including compromise or settlement with the customer and you waive all defenses and notice of those changes and will remain responsible for the payment and obligations of this Agreement. We do not have to notify you if the customer is in default. If the customer defaults, you will immediately pay in accordance with the default provision of the Agreement all sums due under the terms of the Agreement and will perform all the obligations of the Agreement. If it is necessary for us to proceed legally to enforce this guaranty, you expressly consent to the jurisdiction of the court set out in paragraph 15 and agree to pay all costs, including attorneys fees incurred in enforcement of this guaranty. It is not necessary for us to proceed first against the customer before enforcing this guaranty. By signing this guaranty, you authorize us to obtain credit bureau reports for credit and collection purposes.

X			
PRINT NAME OF GUARANTOR	SIGNATURE	DATE	

Modern Methods (for internal use only)

OWNER: Modern Methods

TITLE:

DATE:



APPLICATION NO.

CONTRACT NO.

Schedule "A"

This Schedule "A" is to be attached to and become part of the Item Description for the Agreement dated _____ by and between the undersigned and **Modern Methods**.

MAKE/MODEL NO./ACCESSORIES**SERIAL NO.****STARTING METER**

Lanier LD345 sp with SR880 finisher, bridge unit, cabinet, punch

The above unit is located in: Utilities

Lanier LD345 sp with SR880 finisher, bridge unit, cabinet, punch

The above unit is located in: Administration

Lanier LD345 sp with SR880 finisher, bridge unit, cabinet, punch

The above unit is located in: Building

Lanier LD345 sp with SR880 finisher, bridge unit, punch, 2 X 500 paper supply, and fax

The above unit is located in: Finance

Lanier LD265sp with LCT, SR970 finisher, and punch.

The above machine is located in the mailroom

VERIFICATION

This Schedule "A" is hereby verified as correct by the undersigned, who acknowledges receipt of a copy.

X

DATED

PRINT NAME

SIGNATURE

TITLE

22206 - 06/02/2006



APPLICATION NO.

CONTRACT NO.

SUPPLEMENT NO.

DocuManagement Supplement

Full Legal Name: City of Grand Island

Address:

Phone:

Fax:

DBA:

Billing Address:

EQUIPMENT ADDED:

Make/Model/Accessories

Serial #

Starting Meter

1. Lanier LD160C color copier with LCT, SR970 finisher, punch, and print/scan

2. Add 2 X 500 paper drawers to machine in Admin

3. Add 2 X 500 paper drawers to machine in Building

4. Add 2 X 500 paper drawers to machine in Utilities

5. Add fax board to machine in Admin

6.

EQUIPMENT DELETED:

Make/Model/Accessories

Serial #

Ending Meter

1. Lanier LD265sp

2. Remove cabinets from machines in Admin, Building, and Utilities

3.

4.

5.

6.

NEW TOTAL CONSOLIDATED BILLING:

Monthly Payment* \$1349 Copies Included 0 Additional Copies to be billed @* per smp

METER READINGS VERIFIED MONTHLY

*plus applicable taxes

TERM:

35 MOS. Balance of applicable term. Termination date of this supplement coincides with the termination date set forth in the DocuManagement Agreement or previous supplement (as applicable).

MOS. New term for all equipment which begins upon signature and acceptance by owner and will supercede the term on the original Agreement.

TERMS AND CONDITIONS:

You have requested this supplement to the DocuManagement Agreement (or supplement) as set forth above. You agree that the pricing on this supplement is the new total pricing for your Agreement. Except for the specific provisions set forth above, the original terms and conditions set forth in the DocuManagement Agreement and any personal guaranty(s) shall remain in full force and effect and are incorporated herein by reference.

DELIVERY GUARANTY:

You understand and agree that in the event You are not satisfied with the delivery and installation of the equipment that You shall only look to persons other than Modern Methods such as the manufacturer, installer, or carrier, and shall not assert against Modern Methods any claim or defense that You may have with reference to the equipment or its installation. Further, you authorize Modern Methods to pay supplier for the equipment and understand that payments shall begin on the same date that you execute this agreement and shall be continuous thereafter per the terms of the Agreement.

Signature: **X**

Date:

Print Name:

For:

CUSTOMER ACCEPTANCE:

Print Name:

Signature: **X**

Title:

Date:

For:

OWNER ACCEPTANCE:

Print Name:

Signature:

Date:

For: **Modern Methods**

Maintenance Program



Administrative Office: 1211 East South Street
PO Box 985
Hastings, Nebraska 68901
FAX: (402) 462-5382

OTHER LOCATIONS:
Lincoln, Grand Island
Kearney, Omaha
North Platte

FOR SERVICE CALL: (402) 462-5143 OR 800-742-7331

Date	Date
Customer City of Grand Island	Modern Methods Rep: Leonard McCarty
By	By
(signature)	(signature)

Bill To:

Equipment Location:

P.O. #	
Company	Key Op:
Address	Address
Telephone	Phone

Brand	Model	Serial	Amount	Beginning Meter
			\$	

This Agreement begins _____ Billing on equipment is ☐ Annually ☐ Quarterly ☐ Monthly
 Initial Term is ☐ 60 ☐ 48 ☒ 36 ☐ 24 ☐ 12 months
 Minimum billing is See below copies per ☐ month ☐ quarter ☐ year

TAX: \$
TOTAL: \$

Special Conditions/Meter Rates
All copies @ .0055/copy Black only
All copies @ .06/copy Color Only
Billed in arrears

SMP includes toner. Toner yield for covered equipment is _____ copies per carton.

This figure represents approximately 95% of the manufacturers published yield. Toner will be shipped at the request of the customer. The customer may be charged for any toner shipped in excess of that required based on toner yield listed above. Customer will receive a 20% discount off one case pricing on excess toner. This program includes toner only: staples, paper, or other thru-put materials are excluded

GMA excludes supplies. The following supplies are excluded from this contract:

All conditions as stated on the reverse hereof apply.

R E S O L U T I O N 2007-50

WHEREAS, on January 13, 2004, by Resolution No. 2004- 11, the City of Grand Island entered into a three year lease for the use of copy machines within City Hall; and

WHEREAS, the current three year lease has expired; and

WHEREAS, the City of Grand Island invited sealed bids for Copier/Printer/Scanner for the mail room, the Finance/Human Resources suite, the Administration/Legal Department suite, the Public Works/Utilities suite and the Building/Fire/Planning suite in City Hall, according to plans and specifications on file with the Information Technology Division; and

WHEREAS, on January 3, 2007, bids were received, opened and reviewed; and

WHEREAS, Modern Methods of Grand Island, Nebraska, a state contract holder, submitted a bid in accordance with the terms of the advertisement of bids and plans and specifications and all other statutory requirements contained therein, such bid being in the amount of \$1,557.00 per month for five copier/printer/scanners; and

WHEREAS, Modern Methods' bid is less than the estimate for such equipment.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the bid of Modern Methods of Grand Island, Nebraska, a state contract holder, in the amount of \$1,557.00 per month is hereby approved as the lowest responsible bid for five copier/printer/scanners for the mail room, the Finance/Human Resources suite, the Administration/Legal Department suite, the Public Works/Utilities suite and the Building/Fire/Planning suite in City Hall.

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Adopted by the City Council of the City of Grand Island, Nebraska, February 27, 2007.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
February 23, 2007	☐ City Attorney