



City of Grand Island

Tuesday, March 25, 2008

Council Session

Item G11

#2008-101 - Approving Modification to Lease Agreement for Multi-Function Copy Machines at Law Enforcement Center

Staff Contact: Steve Lamken

Council Agenda Memo

From: Captain Robert Falldorf, Police Department

Meeting: March 25, 2008

Subject: Modification of Lease Agreement for Multi-Function Copy Machines at Law Enforcement Center

Item #'s: G-11

Presenter(s): Steve Lamken, Chief of Police

Background

In December of 2005, after seeking proposals for a copy machine lease, the Grand Island Police Department entered into a lease agreement with Eakes Office Products (low quote) for a 48-month lease of a multi-function copy machine.

On November 27, 2007 the Police Department received Council Approval to expand on the lease agreement with Eakes, adding four additional new multi-function copy machines to the one used multi-function machine that was already being leased (Resolution 2007-297). The lease term agreement was also expanded from a 48-month lease to a 60-month lease. The total amount of the 60-month lease agreement was \$31,596, which the police department was going to receive revenue from the Sheriff's Department in the amount of \$9,478.80 over the 60-month period as a cost share.

After moving into the new Law Enforcement Center it was determined that only three new multi-function copy machines were needed for operational use instead of four and that the Sheriff's Office would only be doing a cost share on the three new machines. The police department contacted Eakes Office Products and inquired about removing one of the four new multi-function copy machines from the 60-month agreement, which Eakes agreed to.

Discussion

The police department is seeking council approval for an amended 60-month lease agreement with Eakes Office Products. The new lease agreement amount will be \$27,063.60 for the 60 month lease period and this is the amount that will be fully paid by the police department. The police department will then receive revenue from the Sheriff's

Department in the amount of \$4,451.22 for the 60-month lease period to cover their cost share on the three new multi-function copiers.

Alternatives

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

1. Approve the amended lease agreement for copy machines with Eakes.
2. Send to committee for further discussion.
3. Table for more discussion.
4. Take no action.

Recommendation

City Administration recommends that the Council approve the amended lease agreement with Eakes Office Products for the 60-month lease term.

Sample Motion

Move to approve the amended lease agreement with Eakes Office Products for the 60-month lease term.

Hometown Leasing Customer Summary

Section I

Date		
Company Name	Mailing Address	Tax/Fed Number
Eakes Office Plus	617 West 3rd Street Grand Island, NE 68802	
Name of Partner, Officer or Contact:		Primary Business Activity
Organization Type (Individual, Proprietorship, Partnership, Corp, LLC, Governmental)		DBA
Corporation		
Company Phone#	Bank Name and Telephone Number:	
(308)382-9580		

Hometown Leasing is authorized to make credit inquiries relating to the copy management or lease agreement under consideration.

Authorized Signature _____

Attest: RaNae Edwards

Section II USA PATRIOT Act

Section II must be completed for all first time contracts for new Eakes customers.

Hometown Leasing complies with Section 326 of the USA PATRIOT Act. This law mandates that we verify information about you while processing your lease application.

Name of Individual Signing Summary	Social Security # of Signer
Primary Address of Signer (Driver's License Address - No PO Boxes)	
Date of Birth (From Driver's License)	

☐ I have viewed the Driver's License of the individual signing this agreement.

Salesperson Signature _____ Dated _____

Printed Name _____

Section III

How long has business been an Eakes customer?	Accounts Receivable Turnover

Section IV

Estimated Selling Price \$ _____ Type of Product being leased: _____

Political Rates Used ☐ Yes ☐ No

Existing Lease ☐ Yes ☐ No

Lease Term (# of Months): _____

Churches only - # of Families/Members _____

Salesperson Name: 1709 Jeremy Reimers

COMMENTS _____

Approval: _____ Decline: _____



617 W. 3rd. Street
Grand Island, NE 68801
308-382-8026

Copy Management Agreement

(C-P-C Plan)

Contract Date: March 17, 2008

LESSEE INFORMATION

Full Legal Name: Eakes Office Plus
Billing Address: 617 West 3rd Street Phone: (308)382-9580
City: Grand Island County: Hall State: NE Zip: 68802

EQUIPMENT LOCATION Equipment shall not be removed from this location without written consent of Lessor.

Street Address: 617 West 3rd Street
City: Grand Island County: Hall State: NE Zip: 68802

EQUIPMENT INFORMATION

Make/Model/Description	Serial Number	Cost-Per-Copy (Output)	Guaranteed Minimum Monthly Output	Cost-Per-Copy Additional Output
See Exhibit A		0.02506	18,000	0.0145
		(Cost per Copy rounded to 5 decimal points)		

TERM/PAYMENT INFORMATION

Term in Months	First C-P-C Payment +	Security Deposit + (last payment)	Sales Tax +	Administrative Fees =	Total Payment Enclosed
60	\$451.06	\$451.06	\$63.14	\$40.00	\$1,005.26

INITIAL METER READING

Unit #1: Unit #2: Unit #3: Unit #4:

CUSTOMER SIGNATURE

YOU AGREE TO ALL OF THE TERMS AND CONDITIONS CONTAINED ON THE REVERSE SIDE OF THIS AGREEMENT, AND ANY ATTACHMENTS TO SAME (ALL OF WHICH ARE INCLUDED BY REFERENCE) AND BECOME PART OF THIS AGREEMENT. YOU ACKNOWLEDGE TO HAVE READ AND AGREE TO ALL THE TERMS AND CONDITIONS AND UNDERSTAND THAT THIS IS A NON-CANCELABLE AGREEMENT FOR THE FULL TERM SHOWN ABOVE. THE PERSON WHO IS SIGNING ON THIS COPY MANAGEMENT AGREEMENT ON BEHALF OF THE LESSEE HEREBY ACKNOWLEDGES AND REPRESENTS THAT HE/SHE HAS DUE AND LAWFUL AUTHORIZATION AND AUTHORITY TO EXECUTE THIS COPY MANAGEMENT AGREEMENT AND TO BIND THE LESSEE TO ITS TERMS AND CONDITIONS.

Attest:

Signature RaNaee Edwards Title: Mayor Date: 03/17/08
(Authorized Signature)

Print Name Margaret Hornady For: Eakes Office Plus

OWNER ACCEPTANCE

Signature _____ Date: 03/17/08
(Authorized Signature)

Title: _____ For: Eakes, Inc.

Salesperson: 1709 Jeremy Reimers

EXHIBIT "A"

Eakes, Inc.
617 W. 3rd. Street
P.O. Box 2098
Grand Island, NE 68801

Dated: March 17, 2008

Exhibit forming part of the Agreement between
Eakes, Inc., Grand Island, Nebraska (Lessor) and
Eakes Office Plus, Grand Island, NE (Lessee)

Make/Model/Description	Serial	Initial Meter Reading	Location
AR168D	75098965	50	
ARD16	7500082X		
AR150ABD	1009997		
ARNB2N	1010084		
ARFX9	1010185		
AR168D	75096875	50	
ARD16	7500115X		
AR150ABD	1009998		
ARNB2N	1010085		
ARFX9	1010184		
AR168D	75096905	50	
ARD16	7500081X		
AR150ABD	1009999		
ARNB2N	1010086		
ARFX9	1010183		
ARM455NB	55028511		
ARDU3	5E008552		
ARFN7	50300375		
ARFX12	5E205213		
ARPN1B	50200239		
ARNS3	1007881		

Eakes Office Plus Inc.
P. O. Box 2098
Grand Island, NE 68802-2098
(308)382-9580, ext. 182
or 1-800-658-4072, ext. 182



Eakes Office Plus
617 West 3rd Street
Grand Island, NE 68802

Account #: 613255
Invoice Date: 03/17/08
Invoice #: Deposit
Location: 6

First and Security Deposit Due Upon Start of Contract

First Monthly Payment	\$451.06
Security Deposit	451.06
Administrative Fees	<u>40.00</u>
Subtotal	\$942.12
Sales Tax	<u>63.14</u>
Total Invoice	<u><u>\$1,005.26</u></u>

TERMS AND CONDITIONS OF SALE: Due net on 10th of month following date of purchase.
1.33% per month (15.96% annual interest) charged on balance past 30 days.



617 W. 3rd. Street
Grand Island, NE 68801
308-382-8026

Eakes Office Plus
617 West 3rd Street
Grand Island, NE 68802

Letter of Instruction
(Quarterly Meter Billing)

We are pleased to provide this letter of instruction for the copy management agreement dated March 17, 2008. Eakes Office Plus will provide you with service and supplies for the equipment covered by this agreement according to the terms stated on the agreement and in this letter.

1. Your first and last monthly payment is payable to Eakes Office Plus and is due upon signing this agreement.
2. Subsequent monthly payments on this agreement will be made to Hometown Leasing.
3. You will receive a coupon book and payment instructions directly from Hometown Leasing. If you are interested in electronic payment options you may contact Hometown Leasing.
4. Eakes Office Plus will send you a self-addressed post card quarterly to record the copier meter reading and the amount of unopened toner containers you have on hand. Please return this information to Eakes Office Plus according to the instructions printed on the post card within seven (7) days of receipt to allow for shipment of copy supplies in a timely manner.
5. Eakes Office Plus will bill you quarterly for any output above the guaranteed minimum.
6. This agreement includes all service parts, developer, and black toner at no additional charge as stated in the agreement terms. Toner for black print only machines is shipped quarterly based on previous usage reported. Black toner for color capable machines must be ordered as needed. Any color toner is purchased and billed separately.
7. If, at any time during a quarter, you need additional toner, please contact us in Grand Island at (308) 382-9580, ext. 182 or at (800) 658-4072, ext. 182. We will ship additional toner upon your request.
8. If, at any time, you need to request service, please contact Service Dispatch at (308) 382-9580, ext. 1 or at (800) 658-4072, ext. 1 or go to our website at www.eakes.com.
9. At the end of the lease you may return the equipment to Eakes Office Plus, relieving you of any further commitment.
10. Or, if you have fulfilled all of the obligations under this lease and are not in default thereunder, at the end of the term of the lease the equipment may be purchased at \$1.00. If lessee fails to remit to lessor the purchase price within thirty (30) days after the end of the term of the lease, or within thirty (30) days after lessor notifies lessee in writing of the availability of the option to purchase, whichever is later, this option to purchase shall expire.
11. As stated in the agreement, personal property taxes and insurance coverage on the rented equipment are the responsibility of the lessee.

Your business is greatly appreciated, and we look forward to being of service.

Customer Acknowledgement:

Authorized Signature

Date

Title

RESOLUTION 2008-101

WHEREAS, the Police Department has previously entered into a contract with Eakes Office Plus for the lease of five multi function copier machines for the Law Enforcement Center with a 60 month lease of \$31,596 of which the Hall County Sheriff's Office cost share was \$9,478.80; and

WHEREAS, The Hall County Sheriff's Office will provide their own primary copier and only four multi function copiers are needed in the Law Enforcement Center of which the Sheriff's Office will cost share three machines ; and

WHEREAS, Eakes Office Plus will take one multi function copier off of the lease and provide four multi function copiers for the Law Enforcement Center for a 60 month lease of \$27,063.60 and the Hall County Sheriff's Office will cost share three machines for \$4,451.22;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the lease for multi function copier machines for the Law Enforcement Center be amended to provide four multi function copiers for a 60 month lease price of \$27,063.60 of which the Hall County Sheriff's Office will cost share \$4,451.22 for use of three of the machines.

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Adopted by the City Council of the City of Grand Island, Nebraska, _____, 2008.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk