

City of Grand Island

Tuesday, March 09, 2010 Council Session

Item G12

#2010-70 - Approving Purchase of Leased Copy Machines

Staff Contact: Mary Lou Brown

Council Agenda Memo

From:	Mary Lou Brown, Finance Director
Meeting:	March 9, 2010
Subject:	Approving Agreement for City Hall Copier Maintenance & Supplies with Capital Business Systems Inc./Modern Methods
Item #'s:	G-12
Presenter(s):	Mary Lou Brown, Finance Director

Background

On February 27, 2007, Council approved a 36 month Lease Agreement with Modern Methods for five Copier/Printer/Scanners in City Hall for \$48,792.00 with a \$1 buyout at the end of the term. In addition, the City would pay a per copy/print cost which amounted to approximately \$10,000 per year.

Discussion

As the 36 month lease term ends, the City of Grand Island has two options to consider.

- Option 1: Retain the existing copiers and purchase a one year Maintenance Agreement for \$4,908.00 plus a per copy/print cost based on volume usage.
- Option 2: Replace the existing 5 copiers in City Hall for \$51,000 over a three year term plus a per copy/print cost based on volume usage.

Considering the current usage counts and lifetime expectancy of each copier, it has been deemed adequate to "buy out" the existing copiers for \$1 and enter into a 12 month agreement to pay maintenance totaling \$4,908.00 for the 12 months plus a per copy/print amount. The Maintenance Agreement covers all parts, labor, and supplies (excluding paper and staples).

Alternatives

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

- 1. Approve the 1 year Maintenance Agreement with Capital Business Systems Inc./Modern Methods.
- 2. Request Bids to replace Copiers in City Hall
- 3. Take no action.

Recommendation

City Administration recommends that the Council approve the 1 year Maintenance Agreement with Capital Business Systems Inc./Modern Methods for \$4,908.00 plus per copy/print charges.

Sample Motion

Move to approve the 1 year Maintenance Agreement with Capital Business Systems Inc./Modern Methods.

Maintenance & Supply Agreement

Revised: 7/30/2007

Customer Name Customer N CITY OF GRAND ISLAND	ame
Customer Name Customer Name CITY OF GRAND ISLAND Address Address Address 100 EAST FIRST ST, PO BOX 1968 BILL TO Telephone # Attention Attention	
TO Telephone # TO Telephone #	
Attention	· · · · · · · · · · · · · · · · · · ·

POOL BILLING: Yes No

Make/Model	ID#	Serial #	Annual Base Rate
LD345SP	1964 Finance/HR	75000744	
	1		

Contract Term: 12 mol	nths. St	art: Month	/Day/Year	End:	Month/Day/Year	Beginning Me	ter Reading:
						Color:_ Black:_	
						Other Me	ter.

Terms of Agreement:

1. Maintenance Agreement covers all parts, labor, and supplies. Supplies will be shipped at the request of the customer. Paper, staples, and masters for duplicators are excluded and must be purchased separately by the customer.

2.	Annual Base Rate: (Billed	d at \$_0_)	
3.	Color copies/prints included:	per	🔲 month 🔲 d	quarter 🔲 year.
	Additional color copies billed at	billed	🔲 month 🔲 (quarter 🔲 year.
4.	Black copies/prints included: 0	рег	🔲 month 🔲 d	quarter 🔲 year.
	Additional black copies billed at00	084 billed	🛛 month 🔲 (quarter 🔲 year.
5.	Approximate toner and ink yields	color copi	es per 🔲 carton 🛛 🗍	cartridge 🔲 bottle
		black copi	es per 🔲 carton 🔲 d	cartridge 🔲 bottle
6.	For duplicators, all masters will be bil	lled at	¢ per master. Billing wi	ll be completed on a quarterly basis.
	Capital Business Systems, Inc. / Modern M	lethods reserves the right to incr	ease the cost of contract annu	ally during the contract period.
	This is a non-cancelable contact - customer acknow	ledges to have read the terms above	e and on the reverse side, and agre	es to all of these terms & conditions.
Sp	ecial Provisions:	· · · · · · · · · · · · · · · · · · ·		±
<u>x</u>				
	Customer Acceptance		Title	Date
	Capital Business Systems/Modern M	/lethods	Title	Date

Maintenance & Supply Agreement

			Customer Name	
	CITY OF GRAND ISLAND Address		Address	
SHIP	100 EAST FIRST ST, PO BOX 1968	BILL		
ТО	Telephone #	10	Telephone #	*
SHIP	Attention	BILL TO	Attention	

POOL BILLING: Yes D No

Make/Model	ID#	Serial #	Annual Base Rate
LD345SP	1965 B/dg	75000739	
1			· · · · · · · · · · · · · · · · · · ·
		1	

Contract Term: 12 m	ionths. Sta	art:	onth/Day/Year	End: Month/Day/Year	Beginning Meter Reading:
			onan ouy , roar		Color: Black:
					Other Meter:

Terms of Agreement:

1. Maintenance Agreement covers all parts, labor, and supplies. Supplies will be shipped at the request of the customer. Paper, * staples, and masters for duplicators are excluded and must be purchased separately by the customer.

2.	Annual Base Rate: (E	Silled	at\$ <u>0</u>			
3.	Color copies/prints included:	·····	per	D month	uarter	🔲 year.
	Additional color copies billed at		billed	🔲 month	quarter	🔲 year.
4.	Black copies/prints included:	0	рег	🔲 month	🔲 quarter	🔲 year.
	Additional black copies billed at	.0084	billed	🛛 month	uarter	🔲 year.
5.	Approximate toner and ink yields		color copies per	Carton	Cartridge	D bottle
			black copies per	r 🔲 carton	Cartridge	bottle
6.	For duplicators, all masters will b	e billed at	¢ pe	r master. B	illing will be comple	ted on a quarterly basis.
	Capital Business Systems, Inc. / Mode	rn Methods reserves ti	he right to increase th	e cost of contra	ct annually during t	e contract period.
	This is a non-cancelable contact - customer ac	knowledges to have read	the terms above and on	the reverse side,	and agrees to all of the	ese terms & conditions.
Sp	ecial Provisions:					

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Customer Acceptance	Title	Date
Capital Business Systems/Modern Methods	Title	Date Revised: 7/30/2007

Maintenance & Supply Agreement

Customer Name CITY OF GRAND ISL Address 100 EAST FIRST ST, Telephone # Attention		BILL TO	Customer Name Address Telephone # Attention	
POOL BILLING: Yes 🔲 No				
Make/Model	1930 Admin/Leg	2/ 749007	Serial #	Annual Base Rate
Contract Term: <u>12</u> months	Start: Month/Day	Year En	d: Month/Day/Year	Beginning Meter Reading: Color: Black: Other Meter:
Terms of Agreement: 1. Maintenance Agreement covers staples, and masters for duplicators				

(Billed at \$ 0) 2. Annual Base Rate: 3. Color copies/prints included: month **quarter** U year. per Additional color copies billed at billed I month vear. quarter 4. Black copies/prints included: 0 per month quarter year. Additional black copies billed at .0084 billed 🔲 year. 🛛 month guarter 5. Approximate toner and ink yields color copies per 🔲 carton cartridge bottle black copies per 🔲 carton Cartridge bottle 6. For duplicators, all masters will be billed at _____ ¢ per master. Billing will be completed on a quarterly basis.

Capital Business Systems, Inc. / Modern Methods reserves the right to increase the cost of contract annually during the contract period. This is a non-cancelable contact - customer acknowledges to have read the terms above and on the reverse side, and agrees to all of these terms & conditions.

Special Provisions:

X		
Customer Acceptance	Title	Date
Capital Business Systems/Modern Methods	Title	Date Revised: 7/30/2007

Maintenance & Supply Agreement

Customer Name CITY OF GRAND ISLANI Address 100 EAST FIRST ST, PO Tolephone # Attention	D	Customer Name
CITY OF GRAND ISLAN	D	
Address		Address
SHIP 100 EAST FIRST ST, PO	BOX 1968 BILL	
Telephone #	₩	Telephone #
Attention		Attention

POOL BILLING: Yes D No

Make/Model	D#	Serial#	Annual Base Rate
LD345SP	1966 Utility/PW	75000818	

Contract Term: 12 mo	onths. Start:	End: Month/Day/Year Month/Day/Year		Beginning Meter Reading:
				Color: Black:
				Other Meter:

Terms of Agreement:

1. Maintenance Agreement covers all parts, labor, and supplies. Supplies will be shipped at the request of the customer. Paper, staples, and masters for duplicators are excluded and must be purchased separately by the customer.

2.	Annual Base Rate: (B	Billed	at\$ <u>0_)</u>				
3.	Color copies/prints included:		per	🔲 month	🔲 quarter	🔲 year.	_
	Additional color copies billed at		billed	🔲 month	uarter	🔲 year.	*
4.	Black copies/prints included:	0	per	🔲 month	🔲 quarter	🔲 year.	
	Additional black copies billed at	.0084	billed	🛛 month	uarter	🔲 year.	
5.	Approximate toner and ink yields		color copies pe	r 🔲 carton	Cartridge	bottle	
			black copies pe	r 🔲 carton	Cartridge	bottle	
6.	For duplicators, all masters will b	e billed at	¢ pe	er master. B	illing will be comple	ted on a quarterly	basis.
	Capital Business Systems, Inc. / Mode This is a non-cancelable contact - customer ac						
Sp	ecial Provisions:		· · · · · · · · · · · · · · · · · · ·				
х							
	Customer Acceptance	6		Title		Date	
	Capital Business Systems/Mode	ern Methods		Title		Date Revised:	7/30/2007

Maintenance & Supply Agreement

-12

SHIP TO	Customer Name CITY OF GRAND ISLAND	BILL TO	Customer Name
	Address		Address
SHIP	100 EAST FIRST ST, PO BOX 1968	BILL	
TO	Telephone #	ТО	Telephone #
	Attention		Attention

POOL BILLING: Yes No

Make/Model		D#	Serial#	Annual Base Rate
LD160C	1973		612000928	
· · · · · · · · · · · · · · · · · · ·				······································
······				

Contract Term: 12 months.	Start:	End:		Beginning Meter Reading:
		Month/Day/Year	Month/Day/Year	
				Color:
				Black:
			-	[
				Other Meter:

Terms of Agreement:

1. Maintenance Agreement covers all parts, labor, and supplies. Supplies will be shipped at the request of the customer. Paper, staples, and masters for duplicators are excluded and must be purchased separately by the customer.

2.	Annual Base Rate: (Billed	at\$_ <u>0</u>			• .	
3.	Color copies/prints included:	0	_ per	🔲 month	quarter	🔲 year.	
	Additional color copies billed at	.055	billed	🔯 month	uarter	🔲 year.	
4.	Black copies/prints included:	0	per	🔲 month	quarter	🔲 year.	
	Additional black copies billed at	.0062	_ billed	🔀 month	🔲 quarter	🔲 year.	
5.	Approximate toner and ink yield	s	_ color copies pe	r 🔲 carton	C cartridge	bottle	*
			black copies pe	r 🔲 carton	Cartridge	bottle	
6.	For duplicators, all masters will I	be billed at	¢ pe	er master. B	illing will be comple	nted on a quarterly	basis.
	Capital Business Systems, Inc. / Modern Methods reserves the right to increase the cost of contract annually during the contract period. This is a non-cancelable contact - customer acknowledges to have read the terms above and on the reverse side, and agrees to all of these terms & conditions.						
Sp	ecial Provisions:						
X							
-	Customer Acceptance	e .		Title		Date	
	Capital Business Systems/Mod	ern Methods	<u> </u>	Title		Date	

RESOLUTION 2010-70

WHEREAS, on February 27, 2007, by Resolution 2007-50, 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 is about to expire with a \$1 buyout option for all 5 copiers; and

WHEREAS, the cost for 12 months of maintenance to cover all parts, labor, and supplies (excluding paper and staples) is \$4,908.00 plus the copy/print per page cost; and

WHEREAS, the Maintenance agreements have been reviewed and approved by the City Attorney's office;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the 12 month Maintenance agreement by and between the City and Capital Business Systems, Inc./Modern Methods, for the amount of \$4,908.00 plus per copy/print costs per page is hereby approved.

BE IT FURTHER RESOLVED, that the mayor is hereby authorized and directed to execute such agreements on behalf of the City Of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, March 9, 2010.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	¤	
March 4, 2010	¤	City Attorney